





## Aquino Announces Steps for Funding Land Reform Plan

By Seth Mydans  
New York Times Service

MANILA — President Corason C. Aquino announced Tuesday the first steps toward funding a long-awaited land reform program, but declined to say whether she would redistribute the land on her own sugar plantation.

Mrs. Aquino said she had ordered that proceeds from the sale of nonperforming government assets, which she estimated at \$2.8 billion pesos (about \$1.2 billion), go toward land redistribution.

She said details of the redistribution program had yet to be completed although the secretary of agriculture, Heherson Alvarez, has outlined an ambitious five-year program covering the nation's 25 million cultivated acres (10 million hectares).

The president said the government was considering whether to include foreign companies in the land redistribution program.

Mrs. Aquino, in her first news conference since November, said the greatest accomplishment of her first year as president was a restoration of democracy and a modest economic turnaround. She also cited her survival in office despite a series of challenges.

In her first public reference to a growing impatience with the pace of her government in such substantive areas as land reform, she conceded that she might have erred in "waiting too long to decide certain things."

However, she said she would use her special legislative powers, which she holds before the convening of the new congress, only in matters of "the utmost urgency."

She said that land reform might be one of these areas, and that she had ordered the relevant government ministries to present her with proposals.

The inefficient public companies that are up for sale include Philippine Airlines, a number of hotels and resorts, scores of big and small corporations and several commercial banks and industrial projects.

Mrs. Aquino was asked whether she would submit for redistribution her family's 15,000-acre Hacienda Luisita plantation in Tarlac, 50 miles (80 kilometers) north of Manila, as she had promised during her campaign for the presidency.

"My brothers and sisters are Filipino citizens like everybody else," she said. "We will abide by any laws that are enacted. Whatever is recommended to me I will do."

**2 Assassinated in Manila**  
Gunmen assassinated a senior military officer and his driver in Manila on Tuesday, The Associated Press reported.

Military officials said three men shot pistols at Lieutenant Colonel Benjamin Casabar and his driver, Sergeant Alberto Lorenzana, as they waited in their jeep at a traffic light in a Manila suburb. The victims were pronounced dead at the scene.

The government-run Philippines News Agency quoted unidentified intelligence sources as saying the killings resembled attacks carried out by "sparrow unit" assassins from the rebel New People's Army in Davao City, south-east of Manila.

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**Italy Signs An Accord With Jews**  
ROME — The Italian government and Jewish representatives signed an accord last week that replaced legislation governing Jewish life in Italy that had been in force since Mussolini's regime.

The document was signed by Prime Minister Bettino Craxi and the president of the Union of Italian Jewish Communities, Tullia Zevi, in a ceremony at the Chigi Palace, the seat of government.

The 34-article accord, formally called an understanding, was a result of negotiations that began in 1976 but were broken off in 1985 by Jewish spokesmen protesting legislation on the teaching of religion in schools.

The new accord regulates the ability of Jewish organizations to raise money, assures access to Jewish religious services and kosher food for hospital patients, people in homes for the elderly, members of the military and prison inmates, and permits Jews in public and private enterprises to take days off on Jewish holidays.

Other provisions foresee the teaching of Jewish religion in schools if requested by Jewish parents, recognize the validity of marriages conducted by rabbis and allow Jews to take oaths in court with their heads covered.

The agreement allows Jews to deduct from their taxes as much as 10 percent of their income, to a limit of about \$6,000, as an annual contribution to Jewish organizations.

One of the effects of the accord would be to return to Jewish control the Jewish catacombs of Rome. Excavations in the burial places of the early Jewish communities, removal of artifacts and control over access have been a source of friction.

In 1984, Italy and the Vatican signed a concordat under which Catholicism ceased to be the state religion, about the same as before World War II.

**Protest by Madrid Merchants**  
MADRID — Thousands of shopkeepers closed down on Tuesday and marched through Madrid to protest unrestricted store opening hours and an increase in robberies.



Soldiers covered the body of Lieutenant Colonel Benjamin Casabar, who was killed with his driver in Manila on Tuesday. Three men shot them as they waited at a traffic light.

## Soviet Assures Australia on Pacific

Reuters

CANBERRA, Australia — The Soviet Union offered assurances Tuesday that it had no ulterior motives in seeking commercial and diplomatic links with the island nations of the South Pacific, according to a senior Australian official.

The Soviet foreign minister, Eduard A. Shevardnadze, gave the assurance at a meeting with Foreign Minister Bill Hayden soon after his arrival for a three-day visit, the official said.

He quoted Mr. Shevardnadze as saying that recent Soviet offers of fishing and other commercial accords with financially troubled island nations were not an attempt to penetrate the region.

The United States has condemned the Soviet offers as a disguised attempt to gain a strategic foothold in the area, long regarded as a Western preserve.

Mr. Hayden expressed concern over the growing Soviet military presence in Cam Ranh Bay and Da Nang in southern Vietnam, the official said without revealing Mr. Shevardnadze's response.

The Australian foreign minister also told Mr. Shevardnadze that Australia was "firmly and unequivocally committed to its alliance with the United States as a fundamental of our national interests," the official said.

Mr. Shevardnadze said that Moscow supported a political settlement in Afghanistan to bring about an early withdrawal of Soviet troops, according to the official.

The Soviet official's visit had an embarrassing start when he was confronted by a Jewish activist soon after his arrival at the top-security Royal Australian Air Force Fairbairn base.

Devahl Davis, a Jewish community leader and academic from New South Wales University, lined up with the official welcoming party and surprised Mr. Shevardnadze with a series of questions on the plight of Jews in the Soviet Union.

Mr. Shevardnadze told Mr. Davis that Soviet Jews were "having a good life."

Mr. Davis said later that he managed to enter the base by simply producing a driver's license.

Mr. Shevardnadze was also met by demonstrators from Australia's Jewish, Afghan and East European communities when he arrived at Parliament House.

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## Soviet Hints At Changes On Travel

Reuters

MOSCOW — Mikhail S. Gorbachev, the Soviet leader, has indicated that changes will be introduced shortly to make foreign travel easier for Soviet citizens, Prime Minister Stepanov announced Tuesday.

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## Commander Of Lebanese Militia Would Weigh Truce

Reuters

BEIRUT — The commander of Lebanon's biggest Christian militia said Tuesday he would consider a truce but not a final political accord in Syrian-sponsored talks on reforms aimed at ending 12 years of civil war.

"I don't think it is time for a final political accord," said Samir Geagea, the commander of the Lebanese Forces. "We can't see a long-term political agreement with thousands of foreign troops" in Lebanon.

Syria moved 7,000 troops into Lebanon's West Beirut last month and has maintained about 25,000 soldiers in northern and eastern Lebanon. As many as 3,000 Israeli troops occupy a strip in the south of the country.

Lebanese Army troops prepared Tuesday to deploy on the main coastal highway from Beirut to Sidon as part of Syrian moves to discipline Muslim militias.

Mr. Geagea said he was coordinating closely with President Amin Gemayel, also a Christian, on an approach to a Syrian-backed peace plan approved by Lebanese Muslim leaders over the weekend. He said he had not yet seen the plan.

The Muslims "are telling us, 'We have agreed among ourselves, take the agreement,'" Mr. Geagea said. "It is inconceivable."

Prime Minister Rashid Karame, a Sunni Muslim, said Monday night that the country's fate depended on whether Mr. Gemayel accepted the agreement.

Sources close to the president said Monday that he had agreed to three central points in the Muslim plan. Mr. Gemayel has held more than two months of indirect talks with the Syrians. The changes would sharply increase Muslim representation in Lebanon's government.

Mr. Geagea said he would not tolerate any diminution of presidential prerogatives or reformation of the Lebanese Army, both believed to be elements of the Muslim plan.

He said the truce he envisaged would leave militia forces in place and would set up a new government to succeed the present paralyzed cabinet, which has not met since January 1986. Muslim ministers boycotted it after still Christian opposition blocked a previous Syrian-backed peace accord signed by representatives of Lebanon's three main militias in December 1985.

Mr. Geagea, helped by Mr. Gemayel, removed Elie Hobeika as commander of the Lebanese Forces for signing the accord, which would have stripped Christians of traditional prerogatives and preserved a special role for Syria in Lebanon.

The Lebanese Forces have about 8,000 full-time fighters.

Separately, Nabih Berri, the leader of the Shiite Muslim militia Amal, renewed an offer Tuesday to exchange an Israeli airman for 400 Palestinians and Lebanese held by Israel as a means to secure the release of four foreign educators held hostage in Beirut.

"My offer still stands and we are waiting," Mr. Berri said at his West Beirut home. "We are ready to carry out the swap through the International Red Cross."

Mr. Berri, who returned Monday after several months in Damascus, said a demand by Islamic Jihad for the release of 400 Israeli-held prisoners was "ridiculous, but the procedure of kidnapping was wrong."

The kidnapping group says it holds three Americans, Robert Poll, Alann Steen and Jesse Turner, and an Indian, Mihleshwar Singh. The four were seized from their West Beirut campus on Jan. 24 by gunmen posing as Lebanese policemen.

They are prepared to criticize the government publicly. Most, in fact, take pains to give Mr. Mugabe credit for his social policies and his support for private enterprise.

The approach seems to reflect a widespread sense of relief among private business executives over the relatively benign and pragmatic course that Mr. Mugabe, a pro-fascist Marxist, has steered since taking charge of the government in 1980.

"We're obviously looking at a serious situation," said David E.B. Long, president of the Confederation of Zimbabwe Industries. "But I'm still tremendously positive and optimistic. We've achieved fantastic things in seven years — reconciliation, a mixed economy, a positive balance of payments. The success of Zimbabwe is in what has not happened."

Looming over all these problems is the threat of sanctions. In August, Mr. Mugabe threatened to cut air links and take some other measures against South Africa, but when other countries shied away and Zimbabwe took stock of the cost, the Jan. 1 deadline passed without action.

The greater threat was that South Africa, through which most of Zimbabwe's imports and exports pass, would retaliate against international pressures by imposing its own sanctions on its neighbors.

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## WORLD BRIEFS

### Japan Reports Record Unemployment

TOKYO (AP) — Prime Minister Yasuhiro Nakasone of Japan called for urgent economic measures to create new jobs after his government announced Tuesday that unemployment hit a record 3 percent in January.

The figure was 0.1 percent higher than the December figure, the Japanese Management and Coordination Agency said. It is the highest unemployment rate since the agency began keeping records in 1953.

"The unemployment situation in Japan is getting serious," Mr. Nakasone said. "Urgent economic measures are required in order to cope with the situation." Officials attributed the joblessness of 1.82 million Japanese to declining Japanese exports due to sharp appreciation of the yen.

**South Africa Frees Detained Priest**  
JOHANNESBURG (Reuters) — The Reverend Peter Horlop, a Roman Catholic priest detained for eight months under South Africa's state of emergency, has been freed after an international campaign for his release, the church announced Tuesday.

The South African Catholic Bishops' Conference said the priest was released Friday after the Johannesburg bishop, Reginald Ormond, met the law and order minister, Adrian Vlok.

He had been detained in his parish of Springs, east of Johannesburg, shortly after the government imposed a national emergency in June. When challenged in court to show why he had been detained, the state produced a 20-page document giving reasons based on information provided by a schoolboy.

**Egypt Questions Libyan Defectors**  
CAIRO (Reuters) — Five Libyan soldiers who flew to Egypt from their units in Chad and sought political asylum were being interrogated Tuesday by Egyptian authorities, official sources said.

The affair seemed certain to worsen Egypt's already bad relations with Colonel Muammar Gadhafi's government, foreign diplomats and Libyan allies said.

Egyptian diplomats said the soldiers, who flew their C-130 transport plane to southern Egypt on Monday, would be granted asylum once authorities were convinced that their request was genuine. Prime Minister Atef Sedki said the government would decide on the case on Tuesday.

**Poland Seeks to Free Priest in Iran**  
WARSAW (AP) — The Polish government said Tuesday that it was working through diplomatic channels to obtain the release of a Polish priest who has been imprisoned in Iran for nearly a year.

An Italian Roman Catholic magazine, 30 Giorni (30 Days), reported on Monday that the Reverend Stanislaw Scudinski, who was serving Catholics in the city of Isfahan, was arrested in April 1986, released after several weeks and then arrested again as he tried to leave the country.

The magazine, citing Western diplomatic sources, said the reason for his arrest was not known, but noted that 11 Catholic missionaries have been expelled from Iran in the last two years.

**Gandhi Says Pakistan Develops Bomb**  
NEW DELHI (Reuters) — Prime Minister Rajiv Gandhi of India accused Pakistan on Tuesday of secretly developing nuclear weapons, thus preventing normalization of relations between the two countries.

Mr. Gandhi made the charge in Parliament a day after press reports quoted a leading Pakistani nuclear scientist as saying his country would use the bomb as a "last resort." The scientist, Abdel Qader Khan, denied making the remark.

In January, India and Pakistan came close to fighting a war when both sides massed troops on the border. Agreements to withdraw the troops have since been reached. India and other countries have long suspected that Pakistan is capable of making a nuclear bomb.

**Dole Moves Toward White House Bid**  
WASHINGTON (AP) — Senator Bob Dole edged closer Tuesday to a full-fledged campaign for the White House as the Kansas Republican announced the formation of a presidential exploratory committee.

The committee will handle fund-raising, travel and campaign organizing for Mr. Dole's expected bid for the Republican presidential nomination next year.

Also on Tuesday, Senator Joseph R. Biden Jr. of Delaware established a campaign committee, taking the first legal step in his bid for the Democratic presidential nomination. Mr. Biden, chairman of the Senate Judiciary Committee, has said in recent weeks that he will announce his candidacy formally in late May or early June.

**Court Told of Bokassa's Cannibalism**  
BANGUI, Central African Republic (Reuters) — The former cook of Jean-Bédel Bokassa said Tuesday he once served Mr. Bokassa a human body stuffed with rice and flavored in gin, which the former dictator ate for breakfast.

Philippe Linguissa, now in his 70s and partially paralyzed, wept as he told in a hushed courtroom how he was asked to cook a very special meal and declined an invitation to share it with the self-proclaimed Central African emperor, who is standing trial on charges of murder and embezzlement. Mr. Bokassa has denied the charges.

**Afghanistan to Admit Rights Inspector**  
GENEVA (NYT) — The foreign minister of Afghanistan, Abdul Wakil, said Tuesday that his country would allow a special envoy appointed by the United Nations Commission on Human Rights into the country for the first time to investigate reports of violations of human rights there.

Mr. Wakil told the 43-nation commission, which is holding its annual meeting here, that Felix Ermacora, a respected Austrian lawmaker and legal expert, could visit Afghanistan. In his previous reports, Mr. Ermacora has relied on interviews with Afghan refugees in Pakistan and other sources.

The announcement followed the release last week of the latest UN human rights report on Afghanistan by Mr. Ermacora, who said that the number of Afghan refugees in Pakistan and Iran had increased to nearly 5 million.

**For the Record**  
A Bologna court postponed until Monday the trial of 20 defendants accused of involvement in the 1980 bombing that killed 85 people at the Bologna train station.

A would-be Soviet émigré, Serzhim Yevseyevich, taken to psychiatric hospital on Sunday in Moscow after protesting his son's confinement in a labor camp, was released Tuesday, his daughter said. The family has been trying for eight years to emigrate to the West.

**Correction**  
An article from The New York Times in Tuesday editions misstated the academic affiliation of Robert C. McFarlane, the former U.S. national security adviser. He is doing studies on arms control and the Soviet Union for the Georgetown University Center for Strategic and International Studies in Washington.

## EXTRADITE: 26 From U.K. Face Trial in Belgium

(Continued from Page 1)

Ronchi, an Italian. The maximum penalty for manslaughter in Belgium is 15 years' imprisonment.

Three Belgian officials also have been charged in Brussels with involuntary manslaughter.

None of the defendants disputed police identification of them in the tapes. Defense lawyers argued, however, that while they may have behaved badly, even criminally, the true fault for the deaths lay with the Belgian authorities.

A defense lawyer, Harry Livermore, said Tuesday outside the courtroom: "If the Belgian Football Association, the municipality who owned the stadium and the gendarmes had done their job properly, even allowing for the fact that the British national team had been engaged in unlawful acts, this catastrophe would not have happened."

"It would have been another of those dreadful cases in which certain injuries, but not deaths, all right, are usually involving 'political' circumstances, not granted."

All of the defendants were released on bail, and the appeal procedure is expected to take about six weeks. If the appeal fails, Mr. Hurd has 15 days in which to decide whether to approve the extradition.

A House Office spokesman said that Mr. Hurd has what is known as "unfettered discretion" in making his decision, but the spokesman said that, once court approval is given, only rarely are extradition injuries, but not deaths, all right, are usually involving "political" circumstances, not granted.

A British lawyer representing the Belgian government called it the "greatest man-made tragedy ever inflicted on a sporting event," and said that the Belgian government was doing its "international public duty" in seeking to try those who caused the violence.

The Belgian case was focused on one "representative" victim, Mario

trapped Italians tried to flee, eventually coming up against a brick wall that collapsed.

Of the 39 dead, the vast majority died of asphyxiation. Most were Italians, but one Englishman and four Belgians also were among the victims. According to evidence presented at the hearing, 276 people were injured.

Judge David Hopkin held that all 26 defendants, men aged 19 to 34, either fought, charged the grandstand or threw objects, which caused a panic that led to the deaths.

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## Zimbabwe Edges Toward Hard Times

By Serge Schmemmann  
New York Times Service

HARARE, Zimbabwe — The bustling department stores and fast-food restaurants and the new office buildings that are being thrown up speak of prosperity and plenty.

But there is no toothpaste to be found in all Harare. The best-selling detergent, Surf, is also missing from the stores, and long-life milk is hard to find. Tires and spare car parts are in short supply.

The shortages hardly seem critical in a country that stands out in black Africa as an oasis of industry and commerce. Yet to Harare's business executives and economists, they are the first warning signs of impending hard times.

Even barring the impact of any sanctions against South Africa or retaliatory measures that Pretoria might take.

Zimbabwe's problem stems from a shortage of foreign exchange, a problem that has been steadily worsening in recent years. But it was only when the government belatedly began announcing allocations for 1987 that the full problem of the crunch struck home.

Reductions from last year's levels, already low, ranged from about 40 percent for industries to 55 percent for the commercial sector.

Zimbabwean businesses dependent on imported materials, spare parts or machines faced sharp reductions in production and earnings and laid off workers.

"The effect of a further reduction, particularly of the magnitude expected, can only be described as disastrous," said The Financial Gazette, the conservative voice of Zimbabwean business. "The situation is a national disgrace."

The Confederation of Zimbabwe Industries warned that the cuts could mean the loss of at least 30,000 jobs, and that in a year that is expected to produce 90,000 new job seekers.

"Some firms have reached the threshold of their viability," the organization said.

The crisis seemed unwarranted in a country that enjoys a positive balance of payments, substantial food surpluses, some companies from the major industrial nations and a degree of self-sufficiency born of seven years of international sanctions when Zimbabwe was Rhodesia and ruled by a white minority.

But the basic problem was that after seven years of heavy borrowing and spending, the bills for the post-independence spree had come due.

Under the Socialist government of Prime Minister Robert Mugabe, the civil service swelled to 95,000 workers. His ambitious programs to provide universal secondary education more than doubled the number of teachers, and the dispatch of 15,000 troops to safeguard trade routes through Mozambique raised military spending.

Inflation has cut the spending power of the Zimbabwe dollar by 60 percent in five years.

A further drain on resources were the state organizations that marketed grain, beef, milk and other products and ran the railroad and airline and the steel and iron industry. Because of price controls, inefficiency, patronage and other problems, the organizations were running up hefty deficits.

At the same time, independence has not created the foreign investment that Zimbabwe had hoped for, in part because of the turmoil in neighboring South Africa.

What brought the problem to a climax this year, economists said, was the accumulation of short-term debts coming due, and the government's reluctance to seek a rescheduling.

Nevertheless, few business executives are prepared to criticize the government publicly. Most, in fact, take pains to give Mr. Mugabe credit for his social policies and his support for private enterprise.

The approach seems to reflect a widespread sense of relief among private business executives over the relatively benign and pragmatic course that Mr. Mugabe, a pro-fascist Marxist, has steered since taking charge of the government in 1980.

"We're obviously looking at a serious situation," said David E.B. Long, president of the Confederation of Zimbabwe Industries. "But I'm still tremendously positive and optimistic. We've achieved fantastic things in seven years — reconciliation, a mixed economy, a positive balance of payments. The success of Zimbabwe is in what has not happened."

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Looming over



By James LeMoynes  
New York

been members of the Nicaraguan National Guard that once served General Anastasio Somoza, the dictator deposed by the Sandinists in 1979. This is a political liability that continues to dog the contras but seems not to embarrass them.

In addition to the new Soviet-designed Kalashnikov rifles, the rebels were armed with an RPG-7 grenade launcher. In addition, they carried an American M-60 machine gun, a few Belgian FAL rifles, light anti-tank rockets and a 60mm mortar — more than enough firepower for a mobile rebel unit and a demonstration that new American financing is having an effect.

Asked why they were fighting, the guerrillas gave answers that included being forced to flee either because they had been members of the former national guard or had relatives who were, as well as their opposition to a government that demanded compliance with a largely socialist program.

The rebels appear to have a measure of peasant backing, as shown both by the young peasant fighters among them and accounts gathered from a group of nearly 100 peasant refugees met by a reporter.

The refugees fiercely criticized the Sandinists for setting up a single party state, rationing basic food and household items, forming state cooperatives, setting prices for the peasants' products, and forcibly relocating villagers

By E.J. Dionne Jr.

### An Abstract Eagle Sculpture

The Connecticut legislature's management committee has approved an abstract sculpture of an eagle for the new legislative office building, despite objections that it is entirely too abstract.

"If it looked a little more like an eagle, I'd feel better about it," Richard O. Belden of Shelton, the deputy Republican leader, told The New York Times.

The 10-foot-tall (three-meter-tall) eagle, made of aluminum covered with gold leaf, is to perch on a 21-foot granite column in the building's atrium and is to cost \$100,000. State law requires that 1 percent of a state building's cost be spent on works of art.

The sculptor is David von Schlegel of Guilford, who teaches at the Yale art school. He called it "fairly conservative" compared with his other work.

"I hope it will grow on all of us," said the house speaker, Irvin J. Stepan, a New Haven Democrat.



*United Press International*

**WASHINGTON** — The Supreme Court ruled Thursday that a person with a contagious disease may be considered handicapped and therefore protected by anti-discrimination laws. Some observers said the ruling could be extended to provide such protection to persons with AIDS.

The court, on a 7-2 vote, held that Gene Arline, a third-grade teacher in Florida, who suffered from tuberculosis and was dismissed from her job, could be considered handicapped under the Rehabilitation Act of 1973 and protected from discrimination.

Mrs. Arline contended that she should not have been dismissed because the risk of infecting her students was minimal and if there were a risk, the school board had a duty to find her another position.

Justice William J. Brennan Jr. wrote for the majority of the court:

"We conclude that the fact that a person with a record of physical impairment is also contagious does not suffice to remove that person from coverage" under the Rehabilitation Act.

The court said in a footnote that the ruling did not touch the question of whether AIDS was covered by the Rehabilitation Act.

However, groups advocating the cause of AIDS victims noted that the disease, acquired immune deficiency syndrome, like tuberculosis, is infectious. They said the Supreme Court victory for the teacher could eventually extend the Rehabilitation Act to AIDS victims.

Justice Brennan, joined by Justices Byron R. White, Thurgood Marshall, Harry A. Blackmun, Lewis F. Powell Jr., John Paul Stevens and Sandra Day O'Connor, wrote that before a person with a contagious disease is dismissed, a job opening must be held to determine if it is possible to

if so, whether another position could be found for that person.

Such hearings would take into account the nature of the risk, the severity of the risk, and the probabilities that the disease could be transmitted and cause harm.

Chief Justice William H. Rehnquist, joined by Justice Antonin Scalia, said the court ruling went beyond the intent of Congress in passing the Rehabilitation Act.

James Kellogg, staff attorney for the Lambda Legal Defense and Education Fund, a group advocating homosexual rights, said AIDS discrimination cases had been on hold throughout the United States pending Tuesday's court ruling and now appeared likely to be resolved in favor of AIDS victims.

"This gives us a clear legal precedent," Mr. Kellogg said.

He said it should be easier for AIDS sufferers to prove they are able to work than those with more

*Washington Post Service*

**NEW DELHI** — Abundant rains, combined with expanding use of high-yield grains, fertilizers and irrigation, have led to dramatic increases in worldwide food stocks in the past two years and have minimized for the time being the possibility of famine in all but a few isolated areas of the world.

African countries that only a couple of years ago were the subject of major international appeals last year registered crop increases of 4 percent to 25 percent over the average for the past five years, according to the report of the United Nations Food and Agriculture Organization, "Food Outlook." It was a second consecutive year of vast increases in production.

India and Pakistan now enjoy a surplus of grains and have become net food exporters, while Angola, Botswana, Ethiopia, Lesotho and Mozambique were judged by the FAO to be "in need of exceptional emergency assistance."

tighter control as a result of the findings of the presidential commission, and a large majority said Mr. Reagan's age would not prevent him from being effective in his final two years in office.

The poll's margin of sampling error is estimated at plus or minus three percentage points.

Vice President George Bush also suffered a significant drop in his popularity. This time 32 percent of those surveyed said they had a favorable opinion of him and 19 percent a negative view; in January 43 percent were favorable and 23 percent unfavorable.

The erosion has clearly hurt Mr. Bush politically. Asked how they would vote if the 1988 election were held now, 64 percent of registered voters and 69 percent of likely voters said they would back Democratic Senator Gary Hart, the favorite with the most support in surveys of his party, and only 34 percent chose Mr. Bush. In January, the same matchup had produced a virtual tie: 45 percent for Mr. Hart, 43 percent for Mr. Bush.

## Short Takes

Three of New York City's most prominent men's clubs unset adult women members, the state Court of Appeals has ruled, upholding a 1984 city law. The law states that clubs are not "distinctly private" if they have more than 400 members, regularly serve meals and accept payment from nonmembers "for the furtherance of trade or business." The city had issued complaints against the Century Association, the Union League Club and the University Club. The clubs indicated they might appeal to the U.S. Supreme Court.

## Atlanta Is Gripped by Fervor To Clean Up Before Convention

Now that Atlanta is going to be the site of the 1988 Democratic National Convention (the Republicans chose New Orleans), the city has been gripped by image fervor. Dan Sweat, a business leader, is prowling the streets with a notebook, marking down each unpainted facade and unkempt alley. Marvin Arrington, president of the city council, is proposing a dress code for taxi

# Danny Kaye, Entertainer, Dies at 74

*The Associated Press*

**LOS ANGELES** — Danny Kaye, 74, the red-haired clown of Broadway, the movies and television who was known as the "ambassador to the world's children," died Tuesday.

A family spokesman said death was caused by a heart attack brought on by complications of internal bleeding and hepatitis. He had lived for many years in Beverly Hills.

**A Rich Comic Sense**  
By Eric Pace  
*New York Times Service*

Mr. Kaye achieved fame on Broadway in "Lady in the Dark" in 1941, stopping the show with his machine-gun delivery of the patter song "Tchaikovsky" — in which he rattled off about 30 tongue-twisting Russian names in 39 seconds.

He had a rich comic sense and an appealing warmth in addition to other performing skills. Before long Hollywood beckoned.

Mr. Kaye starred in such successful movies as "Up in Arms" (1944), "Wonder Man" (1945),

"The Secret Life of Walter Mitty" (1947), "The Inspector General" (1949), "Hans Christian Andersen" (1952), "Knock on Wood" (1953), "White Christmas" (1954) and "The Court Jester" (1956). He won a special Academy Award in 1954, "for service to the movie industry and other achievements."

In the late 1950s, Mr. Kaye's movie career tapered off, but he had a successful weekly television variety show in the 1960s.

The real-life Danny Kaye was a lean, athletic six-footer with a strongly molded face, but much of his career was spent playing meek characters who somehow triumphed in the end.

"I wasn't born a fool," he once said. "It took work to get this way. I'm just an entertainer. All I want to be is funny. I never aspired to play Hamlet."

For many years he performed abroad, on behalf of the United Nations Children's Fund, beginning in the 1950s.

He traveled to Third World countries entertaining young audiences. He reveled in his UNICEF

though his approach to diplomacy was distinctly free-wheeling.

Once in Vienna, he found himself with aching feet during a call on President Theodor Korner of Austria. Mr. Kaye asked, "Wouldn't you like to sit down?"

The president, taken aback, said, "But I'm supposed to ask you that."

To which Mr. Kaye replied, "So ask me."

Recounting the incident, he explained puckishly, "This is known as protocol."

**Bertrand de Jouvenel, 83, Political Economist**

PARIS (AP) — Bertrand de Jouvenel, 83, political economist and pioneer in economic forecasting, died Sunday, his family said Monday.

Mr. de Jouvenel was the author of seminal works on American capitalism and socialism in England. His best-known works include, "Crisis in American Capitalism" (1933), "The Awakening of Europe" and the widely acclaimed "Of Power, History and Growth."

# U.S. Says Soviet Arms Plan Makes Key Concessions

**By Michael R. Gordon**  
*New York Times Service*

**WASHINGTON** — A preliminary analysis by U.S. arms negotiators in Geneva says the latest Soviet proposal on medium-range missiles includes some noteworthy concessions but fails to address some important U.S. concerns, Reagan administration officials said Monday.

The analysis was conveyed to officials in Washington after Soviet and U.S. arms negotiators met on Monday in Geneva.

Administration officials said that the United States intended to submit a draft treaty on medium-range missiles in the next several days.

The Reagan administration has portrayed the Soviet move, which was announced on Saturday, as a positive development that could lead to the first agreement on nuclear arms of the Reagan administration.

"I think that the chances of a summit are much improved," said Kenneth L. Adelman, the director of the U.S. Arms Control and Disarmament Agency. He noted that President Ronald Reagan previously had invited Mikhail S. Gorbachev, the Soviet leader, to a summit meeting in the United States and said the administration was "waiting for him to accept."

Administration officials said Moscow previously indicated that it would welcome a meeting between Secretary of State George F. Shultz and Edward A. Shevardnadze, the Soviet foreign minister. One official said the Soviet Union had suggested that such a meeting take place in Moscow last month.

There were reports on Monday that Mr. Shultz was planning to visit Moscow soon.

Until now, the United States has not agreed to the Soviet suggestion for a meeting, in part because there was no movement in the Geneva arms talks, the official said. A State Department spokesman said Monday that no meeting had been scheduled but that the United States would consider such a meeting if it would prove useful.

The Soviet statement on Saturday reaffirmed the essential outlines of an agreement on medium-range missiles that was worked out between the United States and the Soviet Union in October at the

meetings in Iceland. But in the view of the U.S. negotiators in Geneva, the latest Soviet position contains designs of movement on two issues that are still in dispute.

The Soviet proposal appears to drop the demand that the United States agree not to deploy medium-range missiles in Alaska. Both sides had previously agreed that the Soviet Union should have the right to keep 100 warheads in the Asian part of the Soviet Union and that the United States also should have the right to keep 100 warheads.

In another noteworthy point, Mr. Gorbachev said the Soviet Union would withdraw some short-range missiles that have been moved into East Germany and Czechoslovakia to counter the deployment of U.S. medium-range missiles in Western Europe. The Soviet Union had said the two sides should agree to freeze their short-range missiles at current levels.

Despite these moves, Moscow was not addressed U.S. demands for the right to deploy the same number of short-range missiles as the Soviet Union. Nor has the issue of verification been resolved.

Soviet officials also said inde-

pendent French and U.S. arsenals would not enter into an agreement on missiles, although both sides would join in disarmament data.

Administration Monday that the United States outlined its verification plan, which called for a 90 percent reduction of proposed short-range missiles already being drafted for the monitoring project spelled out in an agreement, which is still being negotiated by the National Security Administration.

Monday that Defense Secretary Casper W. Weinberger opposed the suggestion that the United States press for a draft treaty on short-range missiles at the current levels. Mr. Weinberger took this position after Gorbachev's announcement.

The general feeling in the administration now is that the administration, believing that the Iran-contra affair, a critical downfall by the administration.

Edward L. Rowney, Jr., a senior adviser to Mr. Reagan,

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## South Korea Blocks Dissidents' Protest Bid

**SEOL** — The police blocked Tuesday a new attempt by dissidents to hold demonstrations in the capital and other South Korean cities to commemorate a student who died under police torture in January and to call attention to alleged human rights abuses.

In Seoul, where most of the opposition's efforts were concentrated, 30,000 riot police and plainclothesmen confronted a few thousand demonstrators, preventing them from reaching the park where the rally was to have been held, the news said.

There were isolated clashes in the capital between students and the police. The students, who threw rocks, were quickly dispersed with tear gas. One police post was set on fire by a gasoline bomb. Police sources said that more than 600 arrests were made.

In the provinces, attempted marches in several cities, including Pusan, Kwangju and Taegu, were blocked by the police. Students demonstrated on campuses and in the streets but there were no reports of major violent incidents.

It was the third setback in three months for the anti-government

The protest was held to commemorate a student who died under police torture in January and to call attention to what the opposition calls the Chin government's widespread abuses of human rights.

The government has admitted at Park Jong Chul died of police brutality during questioning.

The Associated Press

**Fighting Reported**

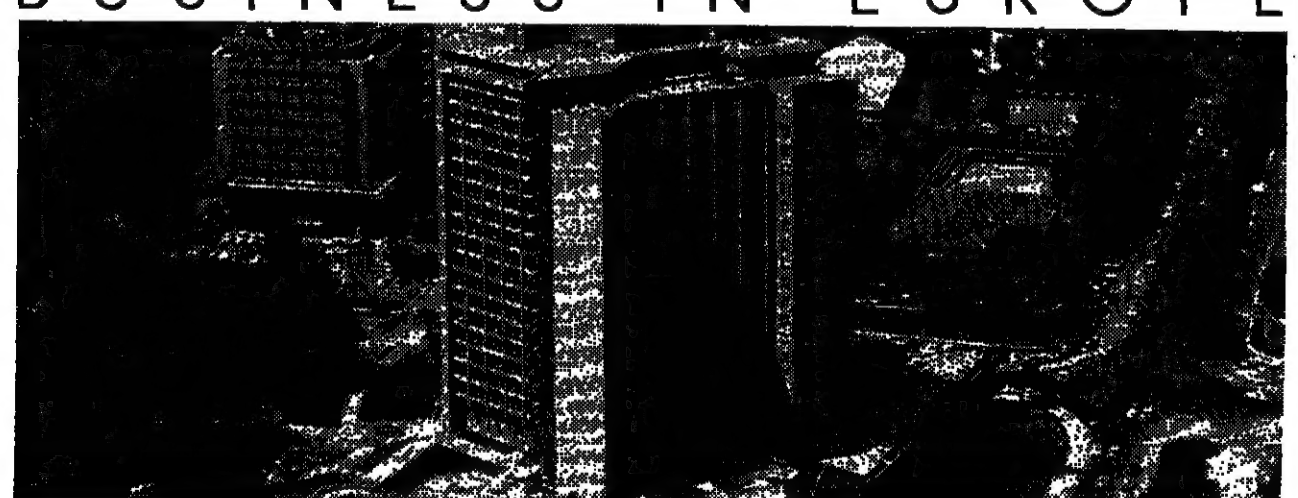
BANGKOK — Burmese government troops and Karen rebel forces fought three battles in which more than 100 people were killed or wounded, border patrol officers said.

The Associated Press

## Fighting Reported in Burma

**BANGKOK** — Hundreds of  
Burmese government troops over-  
ran three Karen rebel bases after  
battles in which more than 20 re-  
bels were killed or wounded, a Thai  
border patrol officer said Tuesday.

## BUSINESS IN EUROPE



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# Herald Tribune

Published With The New York Times and The Washington Post

## The Basis for an Accord

Just because Mikhail Gorbachev has come close to accepting Ronald Reagan's original proposal on medium-range missiles does not mean that the Soviet offer is a Trojan horse that Washington should now reject—or a gift horse to accept as is. Too often, such reactions dominate the arms control debate. The cynical response blots out the fact that Mr. Gorbachev's new proposal for virtually eliminating this class of missiles is a major breakthrough. The gleeful response obscures the hard negotiating that still lies ahead. Washington can welcome the proposal, and then start translating it into a workable treaty.

Predictably, initial comments sounded skeptical. The Soviet leader, some said, is trying to take advantage of President Reagan's current political woes by throwing a big proposal into the White House turmoil. The reverse is more likely. The proposal helps Mr. Reagan politically by showing that the Russians still want to deal with him—and on his terms. The Gorbachev proposal reaffirms the medium-range missile cuts agreed upon in Reykjavik, without killing the president's "star wars" program.

The Gorbachev deal is this: Moscow would destroy all of its 1,323 SS-20 warheads, except for 100 sited in eastern Russia. Washington would scrap the deployment in Europe of 572 medium-range warheads, except for 100 to be sited in the United States. And Mr. Gorbachev, departing from his stance in Reykjavik, no longer insists on linking this deal to U.S. concessions on the Strategic Defense Initiative. Why isn't this the basis for a good accord?

It is. By eliminating mobile Soviet missiles, the plan would eliminate the main reason the United States deployed medium-range missiles in the first place.

The United States had no missiles of 1,000- to 1,200-mile (1,600- to 2,000-kilometer) range in Europe since 1963. Moscow had hundreds, but they were in fixed silos and could be readily targeted. In the mid-1970s the Soviet Union began deploying SS-20 missiles, which carry three warheads

each and, more important, are mobile and thus hard to spot and destroy. Still more worrisome, it meant pulling even with the United States in intercontinental-range forces. This led Westerners to fear a gap in the American deterrent. The Soviet Union could strike Europe with SS-20s but the United States could respond only with intercontinental-range forces.

After much turmoil in Europe, Washington began deploying Pershing-2s and ground-launched cruise missiles in 1983. But if there were no SS-20s in the Soviet Union that had to be matched, the main rationale for the U.S. missiles would be gone. That would leave Moscow with an advantage in shorter-range missiles in Europe, several hundred against none for America. But under the new Gorbachev proposal, Britain and France could keep, even expand, their medium-range forces. As for shorter-range battlefield weapons, both sides still have thousands. These, and U.S. strategic forces, would still confront Moscow with a formidable U.S. deterrent.

If this deal is so good for Washington, why Moscow's sudden switch to adopt it? That Moscow sees benefits does not necessarily mean serious drawbacks for the West. Mr. Gorbachev needs to demonstrate that he can create a stable international environment for his economic reforms. He seems to recognize that this requires working with the conservative American president, not waiting for uncertain successors. He also ignites squabbling between Europeans and Americans, but that can be overcome.

Hard bargaining lies ahead. Although Moscow is willing now to reduce its shorter-range missiles, details have to be tied down. Moscow accepts the principle of on-site inspection, but the West has to win assurance that the agreement can be policed with confidence. The importance of the Gorbachev proposal is that the overall goal can now be agreed on. The negotiators can finally turn to the important details, and the leaders to larger questions.

—THE NEW YORK TIMES

Mikhail Gorbachev's latest arms control switch is to take Intermediate Nuclear Forces (INF) out of the big package in which Soviet diplomacy had bound it with strategic offensive arms and anti-missile defenses. From the American point of view, this move has its complications. Unbinding Euromissiles might make agreement possible on the broad terms long favored by the United States and, incidentally, let Ronald Reagan come forward as an active international figure with a summit before him. But the move also puts the United States on the spot.

In 1979, NATO, responding to deployment of Soviet SS-20 missiles, set out to negotiate this unprovoked new threat down to zero, or that failing (and it did fail), to deploy matching missiles. Moscow, having declined to negotiate on these missiles, said, after the Europeans had deployed their own in response, that it would in fact deal with the Europeans only in a larger arms control package. The Soviets clearly expected that anxious Europeans would press Washington to compromise on President Reagan's proposed Strategic Defense Initiative to get these weapons out of their midst. But the Europeans, having fought a bruising battle to deploy the new intermediate-range missiles, were not eager to remove them so soon. Moscow, which had failed to get away with a unilateral SS-20 deployment, now found it was further failing to get the political mileage it had sought when it tied the SS-20/Euromissile issue to the rest of its negotiating package.

Now Mr. Gorbachev, switching and probing, offers to accept the NATO position on these intermediate-range weapons, the so-called "zero option," which was first dreamed up by the United States.

The zero option means what it said. Some

Europeans thought it wrong from the start, accepting it as a negotiating position only when Moscow seemed ready to reject it. One school holds that the Reagan administration proposed going to zero only because it assumed that the Soviets would never pick up the offer. Others believe that their picking it up closes a trap that the West laid for itself. People also wonder if Moscow is tempting Mr. Reagan with an offer of a first arms control agreement that, because of his political vulnerability, he cannot refuse.

If it really is a bad deal, he should accept the immense embarrassment of rejecting NATO's own offer, one reaffirmed as recently as Reykjavik. But it is not necessarily a bad deal—and this is the important part—with the requisite safeguards. True, the Soviets would get some reduction of missiles aimed at Soviet targets, and some political credit. NATO could also get a boost to its security, however, if the thing were done the hard way—that is, right.

A proper INF agreement would not strip Europe of its defenses. The American strategic umbrella would still be there. NATO would retain the American carrier- and land-based intermediate nuclear forces it has had all along. Britain and France would retain their national nuclear forces. The European part of the Gorbachev offer could be put to good political use by allied governments, nervous as they are. The Asian part would reduce the Soviet weapons aimed at American friends there.

The crucial requirement here is 1) to ensure reliable verification and 2) to resist the Kremlin's ambiguously defined "short-range" missiles, among other questions. The negotiation could be arduous and protracted over these things, but with satisfaction on these counts there could be a deal.

—THE WASHINGTON POST

## Well Judged in Paris

The French court was courageous as well as morally right when it sentenced Georges Ibrahim Abdallah to life imprisonment. Mr. Abdallah is a terrorist; a leader of an organization that has carried out eight attacks on American and Israeli installations in Europe in the last six years. The court found that he shared the responsibility for the murders, in France, of two diplomats, one American and one an Israeli.

The sentence was not a simple decision. Mr. Abdallah's friends and relatives ran an intermittent bombing campaign in Paris from late 1985 until last fall in an effort to force the French government to release him. They killed 10 people in the September bombings alone, and there is reason now to fear that the bombings will start again.

Prime Minister Jacques Chirac has managed to leave a cloud of ambiguity surrounding his government's intentions. The prosecutor, speaking for the government, had urged the court to limit the sentence to 10 years, which would have enabled the government to release Mr. Abdallah within a few months. As the prosecutor said, the government's purpose was to avoid further bombings and perhaps to obtain the release of the Frenchmen being held hostage in Beirut. But the judges evidently decided that the government was giving them bad advice and chose not to follow it.

Americans sometimes think it is they alone who hold the line against terrorism, while the wimpy Europeans keep caving in. The United States was in fact publicly lecturing the French for trying to bargain with terrorists last fall when that quarrel was suddenly drowned out by the revelations that President Reagan himself had been repeatedly trying to ransom American hostages with arms to Iran.

It is also useful for Americans to keep it in mind that the French judges who passed that life sentence faced a more difficult choice than, fortunately, has yet confronted any American president in dealing with terrorism. No foreign guerrilla organization has carried out bombing campaigns in America, cities to try to spring a murder suspect. The atmosphere would be somewhat different in America if that series of random bombings last September had been in Washington rather than in Paris.

It is right for the United States to argue, as it did in the Abdallah case, that democracies cannot give in to the terrorists. But Americans do well to remember that, unlike themselves, the Europeans do not have the luxury of dealing with organizations such as Mr. Abdallah's at long distance. In this instance, the French judges have set an impressive example of moral stamina.

—THE WASHINGTON POST

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## OPINION

# Mikhail's Gamble: Economic Success or Nikita's Fate

By Angela E. Stent

CAMBRIDGE, Massachusetts — Mikhail Gorbachev's moves toward "democratizing" Soviet society have raised a storm of interest in the West — but in the Soviet Union, it may just be a storm.

In January, the Soviet leader advocated major reforms in a speech to the Communist Party Central Committee, and on Feb. 16 he said at an international peace forum in Moscow that the need to pursue reforms at home compelled him to seek peace abroad. Then last week, in his most explicit admission that his proposals have encountered opposition, he insisted that "democratization" would not create disorder in Soviet society.

These moves brought to mind Nikita Khrushchev's attempts at liberalization in the late '50s and early '60s, and also raised a potential parallel: the ousting of Khrushchev by those opposed to his policies.

Mr. Gorbachev's six-hour speech at the Central Committee meeting, which twice had been postponed, made headlines in the West because it advocated changing the way in which the Communist Party selects some of its leading officials.

Mr. Gorbachev prefaced his proposals by criticizing the stagnation and repression of Soviet society under previous leaders. He did not name Stalin or Brezhnev, but his references were clear. It is particularly striking that the ossification of party cadres in the Brezhnev era, when there was virtually no turnover of top Central Committee personnel.

He proposed dramatic changes in political and economic organization, including the introduction of secret ballots in votes for important party officials and the possibility of several candidates competing for each post.

Western observers seized upon these proposals as evidence of a major move toward democratization. But there are strong reasons for caution. First, the secret ballot proposal has been in the party statutes for years — it simply has never been implemented. Second, the party remains an elite and secretive organization, and the elections involve officials who are not chosen by the public. Third, the guiding principle of the party — democratic centralism — has not been discarded.

In fact, Mr. Gorbachev reiterated how important this concept was. Democratic centralism — more centralized than democratic — means that party decisions are handed down from above and that, once taken, they cannot be challenged from below. As long as the party remains under such tight control, any decentralization plan will face strict limits.

Still, Mr. Gorbachev is trying to revitalize the party and strengthen his own position by bringing new people into its top echelons. Like Khrushchev, he is using the party to consolidate his own power. But he should remember that Khrushchev ultimately alienated too many vested interests by trying to expand the party's functions.

Some remarkable changes have taken place recently in the Soviet Union. The release from internal exile of a dissident as prominent as Andrei Sakharov, and especially his subsequent freedom to speak out publicly, would have been unthinkable two years ago. The Soviets have also released at least 140 prisoners. Thousands are still behind bars, in labor

camps or psychiatric hospitals, but this is at least a start.

The three-day international peace forum, attended by many Western luminaries, shows another side of Mr. Gorbachev's new policies. Primarily intended for Western consumption, this extravaganza included an address by Mr. Sakharov and discussions on religion, culture and, of course, disarmament and peace. Mr. Gorbachev, who addressed the gathering, is trying to persuade the West that *glasnost*, or openness, extends beyond Soviet borders.

Yet his policies are still taking shape. His economic reforms, for instance, demonstrate the problems of opening a closed, centrally controlled society. Discussions between

Western and Soviet representatives on the new laws permitting joint ventures are a case in point. These laws would permit Western investment in the Soviet Union and joint production of goods. But officials for the 70 Soviet enterprises permitted for the first time to negotiate directly with Western companies are uncertain about how far they can go, and just what they want, because so much of the economic system remains centralized. Many Western businessmen remain skeptical about the joint ventures law.

In another area, the Soviets have released some prisoners and allowed a few prominent dissidents to emigrate. But they have remained unyielding on the broader issue of

emigration, and the new law on emigration appears to raise new barriers to leaving.

No one, to be sure, expected Mr. Gorbachev to liberalize Soviet society overnight. Compared to the record of his predecessors, his changes have been almost revolutionary, and the West should encourage them.

But his recent moves are also part of a gamble to secure his personal power. And if he fails to improve economic performance — a far more important task than a slight opening of the party — Mr. Gorbachev's days in the Kremlin may be numbered.

The writer is director of the Russian Area Studies Program at Georgetown University and a visiting scholar at the Harvard Russian Research Center. She contributed this column to *Newsday*.

## May I Visit My Mother?

Dear Mikhail Sergeyevich:

I have not seen my mother for almost 13 years. My mother is ill now. I am her only son. My father died in 1971 when I was 17.

Three years ago the Soviet Embassy in Washington told me, "Under no circumstances will we ever let you see your mother." Later the embassy denied that any of its employees had said that. But it would not give me a visa then, nor will it now.

I hope my stance is simply a temporary relic of the past. Such a stance violates numerous international conventions and agreements of which the Soviet Union is a part. But you will forgive people like me for wondering whether you really meant it when you promised to open up Soviet society and transform its institutions — especially when such a simple thing as visiting your own mother is still denied.

I am not the only one in this position. I learned from a 1976 study that more than 30 percent of adult Soviet emigrants living in Detroit had fathers or mothers in the Soviet Union, while 40 percent had left at least one sister or brother behind. According to my experience and that of other emigrants, nothing has changed.

If anything, there are many more in such a situation today. Almost 300,000 people have either been forced out of the Soviet Union or have emigrated voluntarily in the last two decades. This means that many thousands of blood relatives are separated. I know of several cases of suicide among people who could not handle the strain of separation.

In 1974, the KGB office in the city of Vinnitsa, where I was born and my mother still lives, offered me the choice of leaving my country or going to jail. For what? For attempting to exercise my rights under the Soviet Constitution, by publicizing the injustice that my friends and I saw around us.

When I was 14, I wrote a letter to the general secretary, Leonid Brezhnev, protesting his domestic and foreign policies. The result? The local KGB opened a file on me and subjected me to constant interrogations. For saying that, precisely what you are saying now, they incarcerated me in a mental hospital where I was treated with so-called discipline shots.

Then came exile. My KGB "case worker" told me that if I "didn't talk too much" abroad it would only be for a year or two. He lied. But without this lie, he



'Good morning, Comrade. Which face will it be today?'

city of Vinnitsa, where I was born and my mother still lives, offered me the choice of leaving my country or going to jail. For what? For attempting to exercise my rights under the Soviet Constitution, by publicizing the injustice that my friends and I saw around us.

When I was 14, I wrote a letter to the general secretary, Leonid Brezhnev, protesting his domestic and foreign policies. The result? The local KGB opened a file on me and subjected me to constant interrogations. For saying that, precisely what you are saying now, they incarcerated me in a mental hospital where I was treated with so-called discipline shots.

Then came exile. My KGB "case worker" told me that if I "didn't talk too much" abroad it would only be for a year or two. He lied. But without this lie, he

knew they would not be able to make me leave my country. But this letter is about my mother and tens of thousands of mothers like her. She was born in a little Ukrainian village in 1925 and almost died from typhus and malnutrition in 1932. Then came war: She lost her mother, two sisters and a brother. I did not treat her well — because of my political activity, she had to constantly worry about my safety. In 1971 she lost her husband. In 1974 she lost me. Now, although she is not very old, she has developed a heart condition and high blood pressure. There are few things in the world she wants more than to see her son before she dies.

She does not want to emigrate; she just wants to see her son. Is there a more basic right than a mother's to embrace her son? It is

hard to think of one. This right is so simple that it is absurd to consider it a "right." It is a necessity, like eating or breathing.

If you believe that I have committed a crime, tell me to come back to stand trial. I will not resist. Otherwise, let me and hundreds of thousands like me see their mothers, fathers and children. People like me are prepared to join you in the fundamental transformation of our country to make it free, democratic and innovative. But as things stand now, as long as we are denied something so fundamental as a visit to our loved ones, we cannot support your policies without turning ourselves into a laughingstock.

—Alexander Amerison, editor of the Chicago-based Soviet American Review, writing in *The New York Times*.

# The Iran Affair Was No Accident; Reagan 'Wanted It That Way'

By David Ignatius and Michael Getler

This is the second of two articles.

WASHINGTON — Lieutenant Colonel Oliver North emerges in National Security Council computer messages as both vain and a workaholic, so exhausted by his dedication to causes that he seemed to have no time left for thinking. He talks about fatigue in so many messages that, when read together, they sound almost like a cry for help.

"Warm, but fatigued regards," is the way he signs a Feb. 27, 1986, note to Robert McFarlane. "Am going home — if I remember the way," he writes to Mr. McFarlane on April 7, 1986. "We have to lift some of this out of the CIA so that I can get more than 2-3 hours of sleep at night," he writes to Vice Admiral John Poindester on May 16, 1986. "What we most need is to get the CIA re-engaged in this effort so that it can be better managed than it now is by one slightly confused Marine LtCol," he writes to Admiral Poindester on June 10. "At this point, I'm not sure who our side knows what. Help."

What the computer messages reveal most clearly is that Colonel North — who used the name "Project Democracy" to describe his private network of airplanes, ships, cars, warehouses and a runway — did not

really seem to have a good understanding about how democracy is practiced in the United States. More important, those above him did not seem to understand it, either.

Colonel North is undoubtedly a smart and energetic officer, the kind you want on your side in a fight. What the Tower commission shows is what can happen when such persons are without supervision by officials with a firm understanding of how the country must work. What both Watergate and the Iran-contra affair also demonstrated in the end, fortunately, is that questionable behavior that seeks to circumvent established U.S. institutions is likely to get uncovered before even worse damage is done.

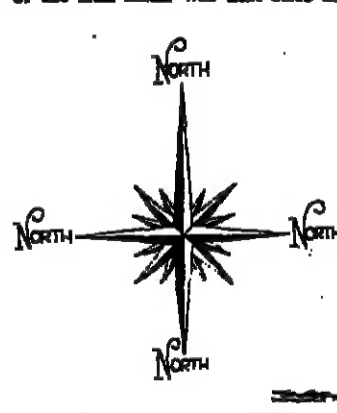
As with Watergate, the riddle at the center of the Iran scandal is what the president knew about the misdeeds of his subordinates. Most of the initial accounts of the Tower report portrayed President Reagan as an almost pathetic figure — aloof, inattentive, unable to remember dates and details, manipulated by his subordinates, a "remote and con-

fused man," as one newspaper put it. But the most significant truth embedded in the Tower report may be that the Iran affair was Ronald Reagan's policy. The Reagan administration decided to trade arms for hostages, despite strong opposition from the secretaries of state and defense, because the president wanted it that way. Each time his senior advisers thought they had quelled the policy, the president revived it. The Tower report suggests that for Mr. Reagan, freeing the hostages became a personal goal — something he favored so deeply that the views of his advisers became irrelevant.

The discussion of Mr. Reagan's role has focused almost entirely on whether he did or did not orally approve the first delivery of U.S. weapons to Iran by Israel. "I don't remember — period," the president told the panel. Fair enough. But there is considerable evidence that he approved — indeed, urged — subsequent shipments of arms because of his commitment to freeing the hostages.

The hostages were the sort of foreign policy problem, involving Americans in danger abroad, that directly engaged Mr. Reagan. He is said to have asked Admiral Poindester at each morning's briefing, "John, anything new on the hostages?" As with Watergate, the nightmare of the Iran affair was that once the

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arms dealing started in August 1985, it developed its own momentum. In December 1985, Colonel North wrote to Admiral Poindester: "We are ... too far along with the Iranians to risk turning back now." George Shultz and Casper Weinberger strongly disagreed, but they failed to persuade Mr. Reagan.

Each time the program seemed about to collapse of its own weight, Mr. Reagan helped rescue it. For example, a consensus seemed to have emerged among his top advisers at a meeting on Dec. 7, 1985, that the arms dealing should be stopped. When Mr. McFarlane delivered this message the next day in London to Manucher Ghorbanifar, the Iranian intermediary warned that if the arms trading stopped, "one or more of the hostages would be executed."

President Reagan apparently was moved by this threat. At a meeting on Dec. 10, according to a memo written by the CIA director, William Casey, "the president argued mildly for letting the operation go ahead ... He

was afraid that terminating the ongoing discussions ... could lead to early action against the hostages."

Mr. Reagan's optimism seems to have carried the day. He was "disappointed" at that December meeting that all the hostages were not yet free, "but always looking for the bright side or the possibility that it could be salvaged," Mr. McFarlane said.

The same maverick spirit — a conviction that "something will turn up" — prevailed in January 1986 when Mr. Reagan decided, over protests from Mr. Shultz, to ship arms directly to Iran. Mr. Shultz told the commission: "I recall no specific decision being made in my presence, though I was well aware of the president's preferred course and his strong desire to establish better relations with Iran and to save the hostages."

Because of growing doubts about Mr. Ghorbanifar, there was a new effort to kill the program in March 1986. But according to testimony by an unnamed CIA official, Colonel North "kept it alive because of the president's personal and emotional interest in getting the hostages out."

There is some evidence that Mr. Reagan knew, at least in general, about Colonel North's fund-raising efforts for the Contras. In a May 1986 memo to Admiral Poindester, Colonel North said: "I have no idea what Don Regan does or does not know re: our private U.S. operation but the president obviously knows why he has been meeting with several select people to thank them for their support for democracy in CentAm."

The most refreshing comment in the Tower report may be a remark from Assistant Secretary of Defense Richard Armitage, who said he told Colonel North in November 1985: "I don't think my boss knows anything about this. I doubt that Secretary of State Shultz knows anything about [this]. I think you are way out on a limb and you best get all the elephants together to discuss the issue."

The Washington Post

## It 'Comes Around' for Muskie, Baker

By David S. Broder

WASHINGTON — If ever proof was needed of that old political adage, "What goes around, comes around," last week's drama in Washington supplied it. Watching former Senator Edmund Muskie of Maine return to the Tower commission's indictment of the breakdown in Ronald Reagan's White House, and seeing the embattled president turn to former Senator Howard Baker of Tennessee to lead the effort to revive a shattered administration, you had to be struck by the ironies of history.

These two men, Mr. Muskie and Mr. Baker, once saw themselves as contenders for the presidency. They not only lost the prize but have had reason to feel humiliated by agents of the man who, having succeeded, has seemed so heedless of the responsibilities of the office he had won.

It is doubtful that Mr. Reagan is even aware of the distasteful memories Mr. Muskie and Mr. Baker hold. But knowing the circumstances will give you a sense of the quality of these two men, symbols of the scores of professional politicians who put national duty above personal pique.

In May 1981, Mr. Muskie was honored by Notre Dame University with its highest award, the Laetare Medal, a recognition of his career as governor of Maine, U.S. senator and secretary of state. As it happened, the White House decided it would be useful for President Reagan to speak at the same ceremony. No one offered Mr. Muskie and his wife seats on Air Force One for the flight from Washington. In acknowledging five Republicans on the platform, the president somehow did not notice the

distinguished Democrat whom the university was about to honor.

Mr. Reagan could not stay for the whole ceremony, so when he finished his speech there was a long interruption while the White House party and press corps packed up and left. Only then did Mr. Muskie get his medal.

Yet there was no self-satisfaction in his voice as he read out the damaging findings of the Tower commission. It was almost with a touch of sadness that the man from Maine said of the ill-conceived and mismanaged Iran policy, "It is the president who must take responsibility ..."

For Howard Baker, the turn of events is even more ironic. He challenged Mr. Reagan for the 1980 presidential nomination and left the race after Mr. Reagan won the New Hampshire primary. For four years he served loyally as Mr. Reagan's principal legislative lieutenant, but his position as Senate majority leader to carry out a presidential initiative after another. Yet he was treated as shabbily at the 1984 Republican convention in Dallas as if he had been Mr. Reagan's worst critic.

The small-minded Reagan operatives who controlled the convention schedule decided that this was their chance to humiliate Mr. Baker, who had announced that he was leaving the Senate to practice law and presumably prepare for another presidential bid in 1988. They no longer needed him, they figured, and they wanted to make it plain that they did not want him to succeed Mr. Reagan.

So Mr. Baker arrived in Dallas to learn that his opening speech had been scheduled at a time when the television networks would cut away to their local affiliates for commercials and local news. He told the White House aides to take that schedule and stuff it. They shifted his time. But the same ego-inflated Reagan operatives who had ordered the delegates to be attentive while Jeanne Kirkpatrick and Paul Laux spoke held back conversations in plain view of the podium during Mr. Baker's speech. The hall was in uproar.

I saw Mr. Baker the next morning. He was still steaming. I asked, "Senator, can you really imagine the people in that hall making you their nominee in four years?" "Either they'll have to change," he said, "or I will. And I'm too old to change."

Mr. Baker has not changed, but circumstances have. Now the man who was scorned has willingly put aside his own ambitions to help save this presidency, and — mark my words — he will be attacked by the same unforgiving ideologues who sought to humiliate him in Dallas.

But he, like Mr. Muskie, has demonstrated that professional politicians — who respect each other because they respect a process of government that is bigger than any personal ambitions, successes or setbacks — are the ultimate resource of leadership for America. Those people, unlike the amateurs and ideologues, treat today's adversaries with respect, because they know they may be tomorrow's allies. They know that what goes around, comes around.

The Washington Post

## IN OUR PAGES, 75 AND 50 YEARS AGO

### 1912: The Coal Strike

LONDON — The paralyzing effect of the coal strike is increasing every hour. The railways are reducing their services and one company has stopped operations altogether. Ironworks, tinworks, railway works and potteries are closing down. Prices of all commodities are rising. Disaster threatens the whole trade of the country. Sir George Asquith, the Chief Industrial Commissioner, has summoned a meeting for [March 4]. This may indicate that the Government is making an effort at conciliation in the coal dispute on new lines. There is reason to believe that the leaders of the men are now endeavoring to secure from their unions greater bargaining powers. It is estimated that 202,500 men engaged in various industries have already been rendered idle, in addition to more than a million miners and surface workers.

### 1937: German Mothers

BERLIN — In line with the policy of stimulating the birth rate, the projected Nazi criminal code, which is expected to go into effect soon, will not only provide stringent penalties for violation of the sanctity of the German family, but also will throw safeguards about the unmarried woman and her child. To the Nazis, whose primary interest lies in an "Aryan" birth rate within the Reich, these provisions in the same code for the protection of the family and the unmarried mother are not paradoxical. The man who is responsible for the pregnancy of the woman — whether or not she is his wife — and yet fails to render her "assistance" will be liable to a prison sentence, the maximum term of which has not yet been announced. The assistance referred to is not to consist alone of material aid, but also of "spiritual comfort."

مكذمان النحل



## OPINION

هكذا من الأهل

## Special Prosecutors: The Issue Is Power

By Anthony Lewis

BOSTON — The President... by the Senate, shall appoint Ambassadors, other public Ministers and Consuls, Judges of the Supreme Court, and all other Officers of the United States... but the Congress may by Law vest the Appointment of such inferior Officers, as they think proper, in the President alone, in the Courts of Law, or in the Heads of Departments. — U.S. Constitution, Article II, Section 2.

We have had many theories on how to interpret the constitution. Now we have a novel one: Ignore the actual words of a constitutional provision and look instead to what the Framers of the constitution had generally in mind.

## ABROAD AT HOME

North and others against the law that has judges appoint independent counsel to investigate wrongdoing in the executive branch. It is a strange argument, far removed from precedent and reason.

The text of the constitution, quoted above, explicitly authorizes Congress to have federal courts appoint "inferior officers" of government. That is what Congress did after Watergate, when it created the independent counsel statute.

Can the statute be unconstitutional? Colonel North's lawyers and the rest say the law violates the separation of powers: The prosecution of crime is an executive function, they say, so prosecutors must be appointed by the president.

The separation of powers is a vital doctrine in the American system, but it is not so mechanical. The Framers did not put the three branches of government in separate airtight boxes. To the contrary, they often overlapped powers. If there is something untidy about courts making appointments, the short answer is that the Framers made that choice.

The Supreme Court long ago rejected an attack on the constitutionality of appointments by courts. That was in 1879, in the case of *ex parte Siebold*.

Congress had created the office of election supervisors and directed the federal courts to pick them. The law was challenged on the ground that the supervisors were too executive in their duties to be named by judges. But the Supreme Court held that Article II authorized Congress to follow that course.

Opponents of the Independent Counsel Act say that prosecutors are too important to be "inferior officers." But the constitution confides that decision to Congress. It says Congress may vest the appointment of such inferior officers "as they think proper" — "they" meaning Congress. It would be hard to phrase a discretion more complete.

Finally, it is said that however sweeping the language of Article II, it cannot have been meant to let judges appoint officials remote from the courts: to appoint, say, State Department officials.

But even if one reads such a constraint into the text, prosecutors are hardly remote from the business of the courts. In fact, federal courts have been appointing prosecutors for nearly 100 years. A statute gives the courts power to name interim U.S. attorneys when there are vacancies in any of the districts around the country. The power is often used: There is now a court-appointed U.S. attorney in Boston.

Another powerful argument for the Independent Counsel Act, again recognized in Supreme Court decisions, is the need for this office to have substantial independence from the president. In 1935 the Supreme Court upheld, against Franklin Roosevelt, a law protecting federal trade commissioners from dismissal at will by the president. The court said there could be no doubt of Congress's right to create administrative agencies and require them to act "independently of executive control."

If the independent counsel act is invalid, then very likely the United States' administrative agencies are unconstitutional. And that is what important figures in the Reagan Justice Department would like to bring about. They have been looking for a chance to argue that the president must control all administrative functions in government, that there can be no independent agencies.

So the argument over special prosecutors is really an argument about power. An executive already inflated beyond the imagination of the Framers wants more power. We are even told, in an age of executive abuses, that investigations of the president must be subject to presidential control. But the men who framed the constitution in 1787 did not write a charter for self-destruction.

The New York Times.

Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.

## LETTERS TO THE EDITOR

## In Defense of the Treaty for a Nuclear-Free South Pacific

The report in your Feb. 12 edition entitled "U.S. Rejected Pacific Pact After Months of Debate" was recently brought to my attention. I read it with both interest and concern.

What bothers me is the article's misrepresentation of New Zealand's policy toward the treaty to establish a South Pacific nuclear-free zone.

It is true that in this part of the world, so far from the Northern Hemisphere centers of nuclear and military tension, many people want nothing to do with nuclear weapons. We don't need them, and those countries with them don't need to bring them here or station them in our countries. Furthermore, and your article alluded to this, we don't want France to continue its nuclear weapons testing program in the South Pacific. (If these tests are so safe, why not conduct them in metropolitan France?) These factors were at the heart of the initiatives that led to the treaty of Rarotonga being opened for signature on Aug. 6, 1985.

What the treaty did not do was to forbid stopovers by nuclear-armed ships and planes. It allows each signatory to determine for itself whether or not to

accept transit or port calls by nuclear-armed ships or planes. New Zealand adopts the policy of not allowing such visits, but this has nothing to do with the wording of the treaty of Rarotonga.

The article quotes American and French officials as saying that the nuclear-free zone could have jeopardized U.S. strategic interests globally, notably in the North Pacific. I do not see how this could be so in a part of the world which, happily, is free from strategic confrontation. It is, I believe, accepted that each region should be considered on its own merits in terms of the desirability of establishing it as a nuclear-free zone.

We did not negotiate the treaty cynically. We are not anti-ANZUS. We do not want to bar U.S. ships and planes from our country. But we do not want nuclear weapons in this part of the world. In your report you drew out some of the arguments of U.S. supporters of the treaty. We think that those arguments are valid and stand up to honest scrutiny in a way that those of opponents of the treaty do not.

DAVID LANGE,  
Prime Minister,  
Wellington, New Zealand.

## Don't Sneer at Gorbachev

In "It's in the West's Interests That Gorbachev Succeed" (Feb. 20), Tom Wicker refers to the Western belief that "the Soviet system itself would have to be destroyed before the life of its people could be improved."

Though held by so-called conservatives, this view is essentially leftist thinking.

One bears the same argument endlessly churned out by "progressive" academics, politicians and churchmen: Real change can come only from below, never from above.

The Soviets have put this theory to a thorough test, and where has it led them? If they now believe that the establishment should be reformed rather than overthrown, that more enlightened leadership might be a better agent of change than another cabal of fire-eating revolutionaries, we should not sneer. We should give them credit for this evidence of growing political maturity.

D.E.A. SIBLEY,  
London.

## Helping the Indebted South

L. Ronald Scheman's solution for Latin America's debt crisis, in "Development Funds as a Way out of the Debt Crisis" (Feb. 27), deserves attention from all those concerned with relieving the back-breaking burden of debt which threatens the stability of both the creditor North and the indebted South.

The social significance of Third World debt stems from the fact that it deprives countries of the wherewithal to permit their economies to grow out of the crisis. They are denied the means to create the employment that is essential for social equilibrium.

Endowing them with the resources to import capital goods and commodities would open up welcome export opportunities to lender nations now so eagerly searching for markets.

Mr. Scheman suggests that the heavily indebted countries should be allowed to

repay a major part of the interest and part of the amortization into local development funds to be used for investment in industry and agriculture; lending banks would have a say in the use of the fund. Under current strategies, debtor countries find themselves forced to reduce imports, impose austerity measures, cut subsidies, promote devaluation and other deflationary policies, all of which can only generate greater suffering and resentment among the poor.

Mr. Scheman's proposal suggests perhaps the least painful way out of the present impasse. The immediate and long-term social benefits from the scheme would far outweigh the temporary disadvantages, generating growth and employment both in lending countries and in indebted countries.

In the end, no scheme will be fully satisfactory unless it is seen to benefit both the borrower and the lender.

FRANCIS BLANCHARD,  
Director-General,  
International Labor Organization,  
Geneva.

## Kindly Don't Interfere

The editorial "For Iraq, Not for Hussein" (Feb. 9) states, "If his departure can hasten a negotiated settlement, why not see if it can be arranged?"

We Iraqis do not allow any foreign country to interfere in our internal affairs; we stick to the principle of non-interference in the internal affairs of other states. It is for the Iraqis themselves to decide whether President Saddam Hussein should stay or not.

OMAR A. SATTAR,  
Warsaw.

## A Country Like the Others: So Much for la Différence?

By Michael Dobbs

WASHINGTON — Some of the most interesting stories that I covered as a correspondent in France concerned the realm of ideas. Paradoxically, François Mitterrand's election as France's first leftist president in more than a quarter of a century coincided with a growing intellectual disillusion-

consensus on fundamental political issues in France than there is in Britain. Take defense policy. In Britain, the Labor Party is flirting with unilateral disarmament. In France, it would be political suicide for any party, even the Communists, to call for the dismantling of the *force de frappe*, or independent nuclear deterrent. Mr. Mitterrand, who once ridiculed de Gaulle's *bombinette*, or little bomb, has become an enthusiastic believer in mutually assured destruction.

In the French political mind, nuclear equals national independence equals good. No further argument is required. This helps explain why Mr. Mitterrand had little difficulty riding out the 1985 Greenpeace scandal, which was triggered by revelations that French secret agents had blown up an environmental protest ship in New Zealand, killing a photographer. Most Frenchmen accepted the proposition that the government had every right to thwart attempts to disrupt France's nuclear program.

A similar kind of silence seems to have descended on controversial episodes in recent French history. The Gaullist myth of "Free France" saved the country from a bruising national debate about collaboration with Nazi Germany in World War II, and there is little interest in opening up old wounds. The colonial wars waged by France in Indochina and Algeria also remain sensitive subjects.

## MEANWHILE

This is the second of two articles.

ment with socialist ideology. *Le libéralisme*, the French equivalent of U.S. neo-conservatism, was all the rage.

The most important idea of all, needless to say, is France itself. "All my life, I have thought of France in a certain way," wrote Charles de Gaulle. I discovered that de Gaulle's almost mystical vision of France as "the princess in the fairy stories or the Madonnas in the frescoes" was shared by politicians at opposite ends of the ideological spectrum. Nationalism is a force that unites Frenchmen in a way that it could never unite Englishmen. Gaullists and Socialists, Communists and members of the extreme right National Front can all agree with Victor Hugo's splendid dictum: "Oh France, without you the world would be alone."

France's preoccupation with itself was encapsulated in a remark I heard from Jacques Delors when he was finance minister. He had invited a group of American journalists to lunch in his magnificent suite of offices at the Louvre to try to persuade them that France, under the Socialists, was well on the way to economic modernization. After listening to him go on at some length about "le malaise français," I asked him to define "le malaise français." He replied with one word: "nombritisme."

Nombritisme, the obsession with one's own navel, is both France's weakness and its strength. It has lost France export markets to more commercially aggressive and internationally minded rivals like West Germany and Japan. But it also has enabled France to achieve something that has eluded my own country, Britain: to ignore the consequences of its own relative decline.

Foreigners visiting France are always impressed by the combustible quality of political debate. This was, after all, the country that invented the terms "left" and "right" — *la gauche et la droite* — to describe the great ideological divide between those who want to change society and those who want to keep it more or less as it is. Political opponents frequently talk about each other as if they were traitors to the nation. Ordinary people are quick to take to the streets to express their grievances. All this sound and fury tends to obscure the fact that there is probably a greater degree of

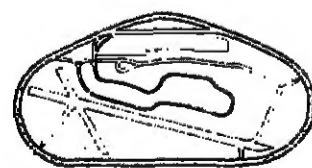
The writer, formerly *The Washington Post's* correspondent in Paris, now reports for the paper from Washington.



Through torrential rain and blistering sun, the three production-series Saab Turbos pressed on regardless. After 30 days and nights of sustained high-speed driving, each of the cars flew past the 100,000 km milestone averaging speeds of 213.299 km/h, 210.082 km/h and 208.084 km/h respectively. The times include pauses for refuelling and oil changes (courtesy of Shell), changing the Pirelli P600 tyres and servicing. Saab's high-speed test was sanctioned by FISA and run according to its international rules.

We took three of our standard Turbos out for a spin around the track. 23,556 laps later, at average speeds of around 210 km/h, all three Saabs had put 100,000 km behind them and set a total of 21 international speed records and two world records.

Pretty good going for standard five-seaters.



Alabama International Motor Speedway, Talladega, U.S.A.  
October 7-27, 1986

Most manufacturers loosely boast about performance, road-holding, comfort and dependability. One has dared to put these qualities to the test.

Saab.

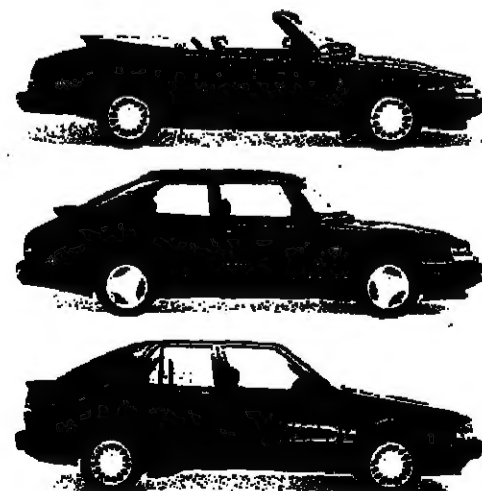
We took three 9000 Turbo 16s to the Alabama International Motor Speedway and told the team of predominately amateur drivers just to keep the accelerator flat on the plush velour carpet.

Three weeks after the waving of the green start flag, the Saabs had done what no other standard car had done before — completed 100,000 km (62,000 miles) at average speeds of more than 200 km/h (124 mph).

We weren't surprised by the results. After all the 9000 Turbo 16 is designed and engineered for advanced driving.

The 16-valve engine with an intercooled Garrett T3 turbo-charger produces a whopping 175 horsepower. The communicative suspension hugs the road in all weathers. The unerring steering and braking respond to the slightest command. Whilst inside, the cockpit design and exclusive appointments promote sophisticated and alert driving at all times.

All of which combine to make a Saab something to look forward to kilometre after kilometre.



SAAB

Approved for advanced driving











NYSE Most Actives									
Vol.	High	Low	Last	Chg.	Vol.	High	Low	Last	Chg.
30542	22 1/2	22 1/4	22 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
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Market Sales									
NYSE 4 p.m. volume	149,240,000								
NYSE prev. close	149,240,000								
NYSE 4 p.m. volume	149,240,000								
NYSE prev. close	149,240,000								
NYSE 4 p.m. volume	149,240,000								
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NYSE 4 p.m. volume	149,240,000								
NYSE prev. close	149,240,000								

NYSE Index									
Composite	162.16	162.14	162.14	+0.02					
Industrial	162.16	162.14	162.14	+0.02					
Transport	162.16	162.14	162.14	+0.02					
Utilities	162.16	162.14	162.14	+0.02					
Finance	162.16	162.14	162.14	+0.02					
Commodities	162.16	162.14	162.14	+0.02					
NYSE 4 p.m. volume	149,240,000								
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NYSE 4 p.m. volume	149,240,000								
NYSE prev. close	149,240,000								

NYSE Closing									
Advanced	162.16	162.14	162.14	+0.02					
Declined	162.16	162.14	162.14	+0.02					
Unchanged	162.16	162.14	162.14	+0.02					
Total Issues	162.16	162.14	162.14	+0.02					
New Issues	162.16	162.14	162.14	+0.02					
NYSE 4 p.m. volume	149,240,000								
NYSE prev. close	149,240,000								
NYSE 4 p.m. volume	149,240,000								
NYSE prev. close	149,240,000								

AMEX Diary									
Advanced	162.16	162.14	162.14	+0.02					
Declined	162.16	162.14	162.14	+0.02					
Unchanged	162.16	162.14	162.14	+0.02					
Total Issues	162.16	162.14	162.14	+0.02					
New Issues	162.16	162.14	162.14	+0.02					
AMEX 4 p.m. volume	149,240,000								
AMEX prev. close	149,240,000								
AMEX 4 p.m. volume	149,240,000								
AMEX prev. close	149,240,000								

NASDAQ Index									
Composite	162.16	162.14	162.14	+0.02					
Industrial	162.16	162.14	162.14	+0.02					
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10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0

NYSE Prices Post Modest Gains									
Vol.	High	Low	Last	Chg.	Vol.	High	Low	Last	Chg.
30542	22 1/2	22 1/4	22 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0

## NYSE Prices Post Modest Gains

United Press International

NEW YORK — Prices on the New York Stock Exchange recorded modest gains Tuesday in subdued trading.

Most investors, dealers said, were waiting for President Ronald Reagan's response to a nationwide address Wednesday to the Tower Commission's criticisms of the administration's handling of the Iran-contra affair.

The Dow Jones industrial average rose 6.05 points to 2,226.52, boosted by oil issues, which advanced as crude oil prices rose sharply around the world. Advances outpaced declines by roughly 8-7.

"This market is like a child that's tired but doesn't want to go to bed," said Harry Villor of Sutor & Co. He said the Dow could move as far as 2,400 before it retreats. But any significant setback, he said, will attract renewed buying.

Ernie Rudner, manager of block trading at Mabon Nugent & Co., cited "some slight nervousness about what Reagan will say Wednesday." But he said overall, the market gave a "pretty good" performance.

Traders said government reports that the index of leading economic indicators fell 1 percent in January while single-family home sales dropped 6.8 percent had little impact.

Traders said investors were waiting for February employment data, due Friday.

Broad-market indexes climbed. The New York Stock Exchange composite index rose 0.58 point to 162.16, while Standard & Poor's 500-

NYSE Prices Post Modest Gains									
Vol.	High	Low	Last	Chg.	Vol.	High	Low	Last	Chg.
30542	22 1/2	22 1/4	22 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0

NYSE Prices Post Modest Gains									
Vol.	High	Low	Last	Chg.	Vol.	High	Low	Last	Chg.
30542	22 1/2	22 1/4	22 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0





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NYSE Prices Post Modest Gains									
Vol.	High	Low	Last	Chg.	Vol.	High	Low	Last	Chg.
30542	22 1/2	22 1/4	22 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0
10000	1 1/2	1 1/4	1 1/2	0	10000	1 1/2	1 1/4	1 1/2	0



INTERNATIONAL

Statistics Chart

U.S. Care

Current

Interest

Markets Closed



WEDNESDAY, MARCH 4, 1987

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### INTERNATIONAL MANAGER

## Statistics Challenge Views On U.S. Career Women

By SHERRY BUCHANAN  
*International Herald Tribune*

LONDON — When it comes to women and careers, as in many other fields, numerical reality does not often match the perceptions. Here are some 1987 statistical surprises compiled by Catalyst, the New York-based organization specializing in research on working women, and by the International Herald Tribune, that challenge some common views about women executives in the United States.

A common perception is that women today either give up their careers to raise a family or decide not to have children in order to make it to the top. Gone is the euphoria of the 1970s and early 1980s; now there is the post-liberation "You Can't Have It All" syndrome.

The numbers tell a different story: A large majority of executive women are having children but they are having them much later in life. According to the U.S. Bureau of Labor Statistics' current population survey, 41.9 percent of managerial and professional women from 25 to 34 have children. The percentage rises dramatically to 76 percent for women who are 35 to 44.

But in a sample of 206 executive women with Fortune magazine's top 1,000 companies, compiled last year by Heidrick & Struggles, the international recruitment company in Chicago, just over half said they didn't have any children, indicating that in some corporate environments, women may still have to make the choice between family and career.

Another perception is that women executives' first loyalties are to their husbands and that the wives are the ones willing to move when their husbands change jobs.

But according to a 1986 survey by Allied Van Lines, the international moving company, 70 percent of the married professional men surveyed said they would agree to move to another city if their wives were transferred. Men 24 to 35 were unanimous in their willingness to move, believing their wives' careers to be as important as their own.

THE PERCEPTION persists that women either cannot handle or are not interested in highly technical or "numbers-crunching" jobs. Certainly, in 1975, only 19 percent of all U.S. bachelor of arts degrees in computer and information science went to women. By 1983, women held 36.3 percent of these degrees and in 1985, 49 percent of the degrees in accounting.

There's another widely held view that the increasing number of women entrepreneurs are corporate dropouts who start their own businesses because they cannot cope with both corporate life and raising a family. There certainly have been many women starting businesses. According to the latest figures from the U.S. Small Business Administration, from 1977 to 1983 women started businesses at twice the rate men did.

But a 1984 survey by Robert D. Harich of the University of Tulsa, in Oklahoma, and Candida Brush of Boston College, specialists in this field, shows that the "typical" woman entrepreneur starts her business only after age 40.

Also, according to an unpublished and continuing study at Michigan State University, among Fortune 500 companies the number of women who drop out of corporate life is only a fraction higher than the number of male corporate dropouts.

There is also a perception that women managers operate with a

See WOMEN, Page 11

## Indicators In U.S. Drop 1% Sharpest Decline In 30 Months

The Associated Press

WASHINGTON — The government's main gauge of future economic activity plunged 1 percent in January, the biggest decline in 30 months, the Commerce Department said Tuesday.

The setback in the department's Index of Leading Indicators, which measures activity three to five months in advance, ended four consecutive months of increases, including a revised surge of 2.3 percent in December, originally reported as a 2.1 percent rise.

In another report on the nation's economic health, the Commerce Department said sales of new homes fell 6.8 percent in January, the biggest decline since October, as the median-price home topped \$100,000 for the first time.

The drop in leading indicators had been expected by economists, who said it confirmed other barometers showing that business activity is still languishing after a spurt at the end of last year.

In December, businesses and consumers rushed to make purchases before the new tax law took effect Jan. 1.

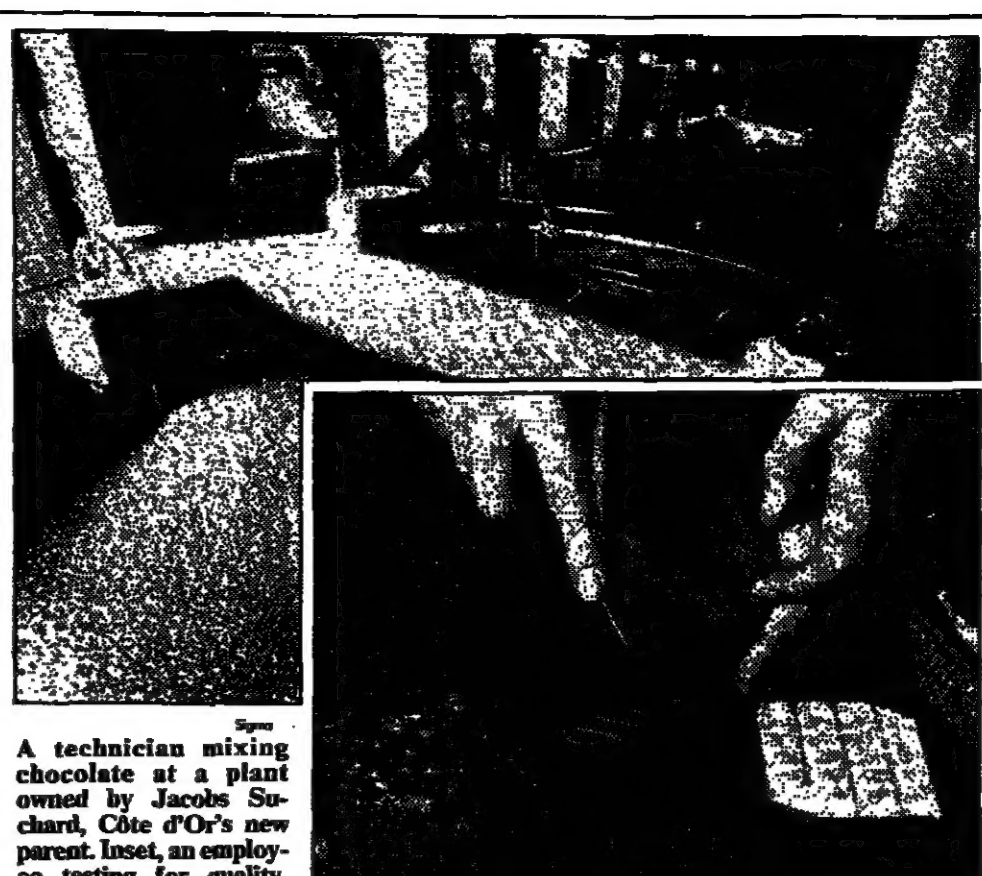
The Reagan administration had hailed the big December rise in the index as evidence that the long-awaited rebound in economic recovery was under way.

The 1 percent January decline was led by a huge drop in orders for factory equipment and a fall in building permits. The decline in building permits was essentially a correction from December's surge caused by a rush for applications in California to avoid higher fees.

In all, 6 of the 10 indicators contributed to the decline. The other 4 negative factors involved orders for consumer goods, changes in raw materials prices, vendor performance and unemployment claims.

The biggest boost for the index came from climbing stock market prices, followed by changes in business formations, a decline in the

See ECONOMY, Page 13



## Sweet Belgian Legend Melts Away

### Côte d'Or Was Last Chunk of Chocolate Autonomy

By Peter Maass  
*New York Times Service*

BRUSSELS — Around the corner from a busy train station, in the middle of this city's immigrant quarter, stands a nondescript factory shrouded in a deep, sweet aroma.

The factory is the headquarters of Côte d'Or, and the seductive aroma is that of raw Belgian chocolate. Exposed pipes conveying the chocolate crisscross the factory's interior, and the air is laden with the exotic scent of cacao laced with mint, vanilla, mocha and strawberries.

Until this year, Côte d'Or, which makes 130 tons of chocolate every day, was the only large-scale Belgian chocolatier still owned by Belgians.

But the family-controlled company agreed on Jan. 29 to be bought for \$7.7 billion by Jacobs Suchard AG, a Swiss company, bringing a virtual end

to local control of Belgium's legendary chocolate industry.

The announcement of the sale has saddened Belgium as no other commercial transaction could. "Côte d'Or was the jewel of the Belgian economy," said a financial analyst for a major Belgian bank. "We were hoping it would stay Belgian."

Baudouin Michiels, the president of Côte d'Or and a descendant of one of the company's founders, acknowledged the widespread dismay. "Everyone is heartbroken," he said in an interview.

Since it was established in 1883, the company had become a national icon. It is only a slight exaggeration to say that Côte d'Or, which is French for "Gold Coast," was as widely cherished as the Belgian royal family. Brussels street maps use the same-size lettering to identify the Côte d'Or factory that they do for the king's palace.

The two Belgian families that owned Côte d'Or insist that the company will remain Belgian in character despite the new Swiss ownership. Within days of the sale, Côte d'Or took out full-page ads in several Belgian newspapers to promise that "Our Good Chocolate Will Never Change."

Given the dramatic shifts in the industry as a whole, many Belgians are not so sure. A wave

See CHOCOLATE, Page 11

## Airbus, Boeing To Lease 40 Jets To American

Compiled by Our Staff From Despatches

NEW YORK — American Airlines, the third largest U.S. carrier, said Tuesday it would acquire 40 long-range, wide-bodied aircraft from the European Airbus Industrie consortium and Boeing Co. of the United States in an innovative leasing arrangement.

The 15 Boeing 767-300ERs and 25 Airbus A-300-600Rs will be acquired under agreements with the makers that can be terminated on short notice, giving American minimal risk and no additional debt.

The value of the new planes, excluding spare parts and service, is put at nearly \$2.5 billion.

American is the fifth U.S. carrier to do business with Airbus, the European manufacturer that has become Boeing's most aggressive foreign competitor.

Airline analysts said they believed the leases could serve as a model for other airlines wishing to expand fleets without burdensome financial commitments.

Jack Pope, American's senior vice president for finance, said the arrangement would allow the company to reduce its capital spending commitments by at least \$2 billion and would shift the "risk of ownership" to the maker.

American will "lease" the 40 new jets from the two manufacturers over 20 years.

It will make an undisclosed monthly payment and has the right to "walk away" from the agreement during the first 10 years upon the provision of a 30-day notice.

If that were to happen, Mr. Pope said, the airline would suffer a "minimal penalty" amounting to "a couple of months' rent."

After 20 years, American has the right to purchase the jets at "fair market value."

All 40 planes will be powered by high-thrust General Electric CF6-80C2 engines.

GE valued the order at more than \$650 million, the largest it has ever received for commercial aircraft engines.

The Boeing 767-300ER can carry more than 215 passengers on non-stop international routes exceeding

6,600 miles (10,700 kilometers). Delivery of the planes, which will be used on routes between the United States and Europe, will begin next February.

The A300-600R, which can carry nearly 270 passengers nonstop for about 4,500 miles, will be assigned to routes in the Caribbean. Delivery will start in April 1988.

Airbus Industrie, which groups Britain, West Germany, France and Spain, has already signed large agreements with Pan American World Airways, Northwest Airlines and Eastern Air Lines.

U.S. aircraft makers charge that government subsidies to the consortium violate trade laws.

However, the governments say that the aid consists of loans that must be repaid. (Reuters, AP, UPI)

## All Nippon Signs Contract for 10 Airbus A-320s

PARIS — All Nippon Airways of Japan has signed a contract with Airbus Industrie of Europe for 10 A-320 short-haul airliners with an option to buy 10 more, an Airbus spokesman said Tuesday.

The 10 planes on firm order, each capable of carrying 164 passengers, will be delivered between September 1990 and November 1991, it said. If the options are taken up, the contract would be worth a total of \$1 billion.

The purchase brings the total number of commitments to the A-320, which is not due to enter commercial service until early next year, to 439 from 16 airlines, comprising 275 firm orders and 164 options.

Airbus announced last December that it had won the All Nippon order over Boeing Co. and McDonnell-Douglas Corp. of the United States.

## Currency Rates

Cross Rates	March 3
Amsterdam	2.37
Brussels	37.85
Frankfurt	1.24
London	1.58
Milan	1.32
New York	0.64
Paris	6.12
Tokyo	124.16
Zurich	1.50
1 ECU	1.36
1 SDR	1.36

Source: Reuters, Bank of Tokyo, IMF (SDR); BAI (dollar, yen, dirham); Goshawk (rupee). Other data from Reuters and AP.

## Interest Rates

## Overseas Deposits

	Dollar	D-Mark	Swiss Franc	Shilling	Pound	ECU	SDR
3 months	4 1/4-4 1/2	4-4 1/4	4 1/2-4 3/4	—	8 1/2-9 1/4	7 1/2-7 3/4	6 1/4
6 months	4 1/4-4 1/2	4-4 1/4	4-4 1/4	—	8 1/2-9 1/4	7 1/2-7 3/4	6 1/4
1 year	4 1/4-4 1/2	4-4 1/4	4-4 1/4	—	8 1/2-9 1/4	7 1/2-7 3/4	6 1/4
2 years	4 1/4-4 1/2	4 1/2-4 3/4	4 1/2-4 3/4	—	8 1/2-9 1/4	7 1/2-7 3/4	6 1/4
3 years	4 1/4-4 1/2	4 1/2-4 3/4	4 1/2-4 3/4	—	8 1/2-9 1/4	7 1/2-7 3/4	6 1/4

Source: *Monetary Quarterly* (dollar, DM, SF, Pound, FF); *Lloyds Bank* (ECU); *Reuters* (SDR). Rates convertible to *Interbank* deposits of \$1 million minimum (or equivalent).

## Key Money Rates March 3

Discount rate	5 1/2%
Call money	7 1/2%
3-month Treasury bill	5 1/2%
6-month Treasury bill	5 1/2%
3-month CD	5 1/2%
6-month CD	5 1/2%

Discount rate	2 1/2%
Call money	4 1/4%
3-month Treasury bill	3 1/4%
6-month Treasury bill	3 1/4%

Discount rate	3
Call money	5
3-month Treasury bill	3 1/4%
6-month Treasury bill	3 1/4%
3-month CD	3 1/4%
6-month CD	3 1/4%

Discount rate	1 1/2%
Call money	1 1/2%
3-month Treasury bill	10 1/4%
6-month Treasury bill	10 1/4%

Discount rate	8
Call money	8 1/4%
3-month Treasury bill	7 1/4%
6-month Treasury bill	7 1/4%

Source: *Reuters*, Bank of Tokyo, Commodities, Credit Lyonnais.

## Asian Dollar Deposits March 3

1 month	4 1/4-4 1/2
2 months	4 1/4-4 1/2
3 months	4 1/4-4 1/2
6 months	4 1/4-4 1/2
1 year	4 1/4-4 1/2

Source: *Reuters*.

## U.S. Money Market Funds March 3

Mutual Shares	5.25
30-day average yield	5.25
Telerep Interest Rate Index	6.25

Source: *Mutual*; *Reuters*, *Lloyds Bank*.

## Gold

	A.M.	P.M.	COMEX
Hong Kong	402.25	402.00	—1.75
London	402.25	—	—2.25
London (12.5 klb)	402.50	402.45	—0.05
London	402.70	402.00	—0.65
New York	—	402.25	+3.25

*Luxembourg*, *Paris* and *London* official futures; *Hong Kong* and *London* official closing prices; *Hong Kong* and *New York* spot market close, closing prices in U.S. \$ per ounce.

All prices in *Reuters*.

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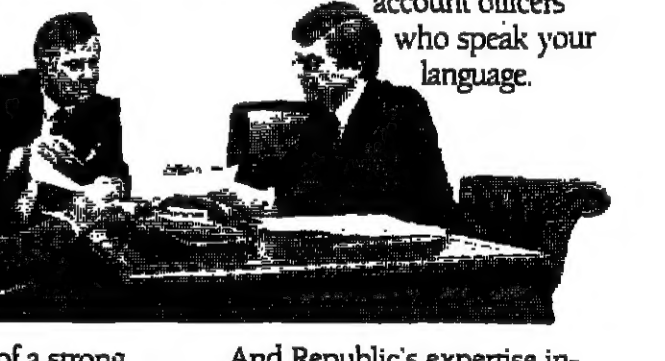


It is active in 19 countries around the world, including the important banking centers of London, Luxembourg, Milan, Paris, Hong Kong, Singapore, Montreal, Tokyo, and of course, New York.

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AIRES • SANTIAGO • MONTEVIDEO • CARACAS • MEXICO  
CITY • PUNTA DEL ESTE • RIO DE JANEIRO • SAO PAULO

FIGURES AS AT DECEMBER 31, 1986:

**TOTAL ASSETS:**  
US \$ 168 billion

**SHAREHOLDERS' EQUITY:**  
US \$ 1.6 billion

**Markets Closed**

Markets were closed Tuesday in Brazil, Panama and Indonesia for holidays. In West Germany, the Düsseldorf and Frankfurt stock exchanges and some banks closed early.



12 Month		Stock	Div.	Yld	PE	Sts.		Close		Ch'ge
High	Low					100s	High	Low	Quot.	

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Season High	Season Low	Open	High	Low	Close	Cha.
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## CONTENTS

		March 3					
		High	Low	Close	Bid	Ask	Chips
76	SUGAR						SUGAR
76	French prices per metric ton						U.S.
76	Mar	1,330	1,315	1,320	1,335	—	Mar
76	Apr	1,330	1,315	1,320	1,335	—	Apr
76	Oct	1,375	1,350	1,365	1,375	—	Oct
76	Nov	1,375	1,350	1,365	1,375	—	Nov
76	Dec	1,375	1,350	1,365	1,375	—	Dec
76	Jan	1,375	1,350	1,365	1,375	—	Jan
76	Feb	1,375	1,350	1,365	1,375	—	Feb
76	Mar	1,375	1,350	1,365	1,375	—	Mar
76	Apr	1,375	1,350	1,365	1,375	—	Apr
76	Oct	1,375	1,350	1,365	1,375	—	Oct
76	Nov	1,375	1,350	1,365	1,375	—	Nov
76	Dec	1,375	1,350	1,365	1,375	—	Dec
76	Jan	1,375	1,350	1,365	1,375	—	Jan
76	Feb	1,375	1,350	1,365	1,375	—	Feb
76	Mar	1,375	1,350	1,365	1,375	—	Mar
76	Apr	1,375	1,350	1,365	1,375	—	Apr
76	Oct	1,375	1,350	1,365	1,375	—	Oct
76	Nov	1,375	1,350	1,365	1,375	—	Nov
76	Dec	1,375	1,350	1,365	1,375	—	Dec
76	Jan	1,375	1,350	1,365	1,375	—	Jan
76	Feb	1,375	1,350	1,365	1,375	—	Feb
76	Mar	1,375	1,350	1,365	1,375	—	Mar
76	Apr	1,375	1,350	1,365	1,375	—	Apr
76	Oct	1,375	1,350	1,365	1,375	—	Oct
76	Nov	1,375	1,350	1,365	1,375	—	Nov
76	Dec	1,375	1,350	1,365	1,375	—	Dec
76	Jan	1,375	1,350	1,365	1,375	—	Jan
76	Feb	1,375	1,350	1,365	1,375	—	Feb
76	Mar	1,375	1,350	1,365	1,375	—	Mar
76	Apr	1,375	1,350	1,365	1,375	—	Apr
76	Oct	1,375	1,350	1,365	1,375	—	Oct
76	Nov	1,375	1,350	1,365	1,375	—	Nov
76	Dec	1,375	1,350	1,365	1,375	—	Dec
76	Jan	1,375	1,350	1,365	1,375	—	Jan
76	Feb	1,375	1,350	1,365	1,375	—	Feb
76	Mar	1,375	1,350	1,365	1,375	—	Mar
76	Apr	1,375	1,350	1,365	1,375	—	Apr
76	Oct	1,375	1,350	1,365	1,375	—	Oct
76	Nov	1,375	1,350	1,365	1,375	—	Nov
76	Dec	1,375	1,350	1,365	1,375	—	Dec
76	Jan	1,375	1,350	1,365	1,375	—	Jan
76	Feb	1,375	1,350	1,365	1,375	—	Feb
76	Mar	1,375	1,350	1,365	1,375	—	Mar
76	Apr	1,375	1,350	1,365	1,375	—	Apr
76	Oct	1,375	1,350	1,365	1,375	—	Oct
76	Nov	1,375	1,350	1,365	1,375	—	Nov
76	Dec	1,375	1,350	1,365	1,375	—	Dec
76	Jan	1,375	1,350	1,365	1,375	—	Jan
76	Feb	1,375	1,350	1,365	1,375	—	Feb
76	Mar	1,375	1,350	1,365	1,375	—	Mar
76	Apr	1,375	1,350	1,365	1,375	—	Apr
76	Oct	1,375	1,350	1,365	1,375	—	Oct
76	Nov	1,375	1,350	1,365	1,375	—	Nov
76	Dec	1,375	1,350	1,365	1,375	—	Dec
76	Jan	1,375	1,350	1,365	1,375	—	Jan
76	Feb	1,375	1,350	1,365	1,375	—	Feb
76	Mar	1,375	1,350	1,365	1,375	—	Mar
76	Apr	1,375	1,350	1,365	1,375	—	Apr
76	Oct	1,375	1,350	1,365	1,375	—	Oct
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76	Dec	1,375	1,350	1,365	1,375	—	Dec
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76	Feb	1,375	1,350	1,365	1,375	—	Feb
76	Mar	1,375	1,350	1,365	1,375	—	Mar
76	Apr	1,375	1,350	1,365	1,375	—	Apr
76	Oct	1,375	1,350	1,365	1,375	—	Oct
76	Nov	1,375	1,350	1,365	1,375	—	Nov
76	Dec	1,375	1,350	1,365	1,375	—	Dec
76	Jan	1,375	1,350	1,365	1,375	—	Jan
76	Feb	1,375	1,350	1,365	1,375	—	Feb
76	Mar	1,375	1,350	1,365	1,375	—	Mar
76	Apr	1,375	1,350	1,365	1,375	—	Apr
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76	Nov	1,375	1,350	1,365	1,375	—	Nov
76	Dec	1,375	1,350	1,365	1,375	—	Dec
76	Jan	1,375	1,350	1,365	1,375	—	Jan
76	Feb	1,375	1,350	1,365	1,375	—	Feb
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76	Nov	1,375	1,350	1,365	1,375	—	Nov
76	Dec	1,375	1,350	1,365	1,375	—	Dec
76	Jan	1,375	1,350	1,365	1,375	—	Jan
76	Feb	1,375	1,350	1,365	1,375	—	Feb
76	Mar	1,375	1,350	1,365	1,375	—	Mar
76	Apr	1,375	1,350	1,365	1,375	—	Apr
76	Oct	1,375	1,350	1,365	1,375	—	Oct
76	Nov	1,375	1,350	1,365	1,375	—	Nov
76	Dec	1,375	1,350	1,365	1,375	—	Dec
76	Jan	1,375	1,350	1,365	1,375	—	Jan
76	Feb	1,375	1,350	1,365	1,375	—	Feb
76	Mar	1,375	1,350	1,365	1,375	—	Mar
76	Apr	1,375	1,350	1,365	1,375	—	Apr
76	Oct	1,375	1,350	1,365	1,375	—	Oct
76	Nov	1,375	1,350	1,365	1,375	—	Nov
76	Dec	1,375	1,350	1,365	1,375	—	Dec
76	Jan	1,375	1,350	1,365	1,375	—	Jan
76	Feb	1,375	1,350	1,365	1,375	—	Feb
76	Mar	1,375	1,350	1,365	1,375	—	Mar
76	Apr	1,375	1,350	1,365	1,375	—	Apr
76	Oct	1,375	1,350	1,365	1,375	—	Oct
76	Nov	1,375	1,350	1,365	1,375	—	Nov
76	Dec	1,375	1,350	1,365	1,375	—	Dec
76	Jan	1,375	1,350	1,365	1,375	—	Jan
76	Feb	1,375	1,350	1,365	1,375	—	Feb
76	Mar	1,375	1,350	1,365	1,375	—	Mar
76	Apr	1,375	1,350	1,365	1,375	—	Apr
76	Oct	1,375	1,350	1,365	1,375	—	Oct
76	Nov	1,375	1,350	1,365	1,375	—	Nov
76	Dec	1,375	1,350	1,365	1,375	—	Dec
76	Jan	1,375	1,350	1,365	1,375	—	Jan
76	Feb	1,375	1,350	1,365	1,375	—	Feb
76	Mar	1,375	1,350	1,365	1,375	—	Mar
76	Apr	1,375	1,350	1,365	1,375	—	Apr
76	Oct	1,375	1,350	1,365	1,375	—	Oct
76	Nov	1,375	1,350	1,365	1,375	—	Nov
76	Dec	1,375	1,350	1,365	1,375	—	Dec
76	Jan	1,375	1,350	1,365	1,375	—	Jan
76	Feb	1,375	1,350	1,365	1,375	—	Feb
76	Mar	1,375	1,350	1,365	1,375	—	Mar
76	Apr	1,375	1,350	1,365	1,375	—	Apr
76	Oct	1,375	1,350	1,365	1,375	—	Oct
76	Nov	1,375	1,350	1,365	1,375	—	Nov
76	Dec	1,375	1,350	1,365	1,375	—	Dec
76	Jan	1,375	1,350	1,365	1,375	—	Jan
76	Feb	1,375	1,350	1,365	1,375	—	Feb
76	Mar	1,375	1,350	1,365	1,375	—	Mar
76	Apr	1,375	1,350	1,365	1,375	—	Apr
76	Oct	1,375	1,350	1,365	1,375	—	Oct
76	Nov	1,375	1,350	1,365	1,375	—	Nov
76	Dec	1,375	1,350	1,365	1,375	—	Dec
76	Jan	1,375	1,350	1,365	1,375	—	Jan
76	Feb	1,375	1,350	1,365	1,375	—	Feb
76	Mar	1,375	1,350	1,365	1,375	—	Mar
76	Apr	1,375	1,350	1,365	1,375	—	Apr
76	Oct	1,375	1,350	1,365	1,375	—	Oct
76	Nov	1,375	1,350	1,365	1,375	—	Nov
76	Dec	1,375	1,350	1,365	1,375	—	Dec
76	Jan	1,375	1,350	1,365	1,375	—	Jan
76	Feb	1,375	1,350	1,365	1,375	—	Feb
76	Mar	1,375	1,350	1,365	1,375	—	Mar
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76	Dec	1,375	1,350	1,365	1,375	—	Dec
76	Jan	1,375	1,350	1,365	1,375	—	Jan
76	Feb	1,375	1,350	1,365	1,375	—	Feb
76	Mar	1,375	1,350	1,365	1,375	—	Mar
76	Apr	1,375	1,350	1,365	1,375	—	Apr
76	Oct	1,375	1,350	1,365	1,375	—	Oct
76	Nov	1,375	1,350	1,365	1,375	—	Nov
76	Dec	1,375	1,350	1,365	1,375	—	Dec
76	Jan	1,375	1,350	1,365	1,375	—	Jan
76	Feb	1,375	1,350	1,365	1,375	—	Feb
76	Mar	1,375	1,350	1,365	1,375	—	Mar
76	Apr	1,375	1,350	1,365	1,375	—	Apr
76	Oct	1,375	1,350	1,365	1,375	—	Oct
76	Nov	1,375	1,350	1,365	1,375	—	Nov
76	Dec	1,375	1,350	1,365	1,375	—	Dec
76	Jan	1,375	1,350	1,365	1,375	—	Jan
76	Feb	1,375	1,350	1,365	1,375	—	Feb
76	Mar	1,375	1,350	1,365	1,375	—	Mar
76	Apr	1,375	1,350	1,365	1,375	—	Apr
76	Oct	1,375	1,350	1,365	1,375	—	Oct
76	Nov	1,375	1,350	1,365	1,375	—	Nov
76	Dec	1,375	1,350	1,365	1,375	—	Dec
76	Jan	1,375	1,350	1,365	1,375	—	Jan
76	Feb	1,375	1,350	1,365	1,375	—	Feb
76	Mar	1,375	1,350	1,365	1,375	—	Mar
76	Apr	1,375	1,350	1,365	1,375	—	Apr
76	Oct	1,375	1,350	1,365	1,375	—	Oct
76	Nov	1,375	1,350	1,365	1,375	—	Nov
76	Dec	1,375	1,350	1,365	1,375	—	Dec
76	Jan	1,375	1,350	1,365	1,375	—	Jan
76	Feb	1,375	1,350	1,365	1,375	—	Feb
76	Mar	1,375	1,350	1,365	1,375	—	Mar
76	Apr	1,375	1,350	1,365	1,375	—	Apr
76	Oct	1,375	1				

## CONTINUOUS

[illegible]

**COFFEE C (NYCSCE)**

[illegible]

463.00	361.00	Oct	471.50	471.50
470.00	365.00	Dec	471.50	471.50
473.00	371.50	Feb	474.00	474.00
475.00	375.00	Apr		

[illegible]

**CONTRACTS**

[illegible]

N.T.	N.T.	132.00	140.00	128.00	140.00	
N.T.	N.T.	132.00	140.00	128.00	140.00	

Volume: 6,900 lots of 100 tons.

[illegible]

Est. Sales	Prev. Sales
Prev. Day Open Int.	36

[illegible]

points and cents	Mar	Apr	May	Jun	Jul
209.00	227.25				
201.00	228.00				

92240	29.50	Jan	265.20	267.20	267.20
92245	29.50	Feb	265.20	267.20	267.20
92250	29.50	Mar	265.20	267.20	267.20
92255	29.50	Apr	265.20	267.20	267.20
92260	29.50	May	265.20	267.20	267.20
92265	29.50	Jun	265.20	267.20	267.20
92270	29.50	Jul	265.20	267.20	267.20
92275	29.50	Aug	265.20	267.20	267.20
92280	29.50	Sep	265.20	267.20	267.20
92285	29.50	Oct	265.20	267.20	267.20
92290	29.50	Nov	265.20	267.20	267.20
92295	29.50	Dec	265.20	267.20	267.20
92300	29.50	Jan	265.20	267.20	267.20
92305	29.50	Feb	265.20	267.20	267.20
92310	29.50	Mar	265.20	267.20	267.20
92315	29.50	Apr	265.20	267.20	267.20
92320	29.50	May	265.20	267.20	267.20
92325	29.50	Jun	265.20	267.20	267.20
92330	29.50	Jul	265.20	267.20	267.20
92335	29.50	Aug	265.20	267.20	267.20
92340	29.50	Sep	265.20	267.20	267.20
92345	29.50	Oct	265.20	267.20	267.20
92350	29.50	Nov	265.20	267.20	267.20
92355	29.50	Dec	265.20	267.20	267.20
92360	29.50	Jan	265.20	267.20	267.20
92365	29.50	Feb	265.20	267.20	267.20
92370	29.50	Mar	265.20	267.20	267.20
92375	29.50	Apr	265.20	267.20	267.20
92380	29.50	May	265.20	267.20	267.20
92385	29.50	Jun	265.20	267.20	267.20
92390	29.50	Jul	265.20	267.20	267.20
92395	29.50	Aug	265.20	267.20	267.20
92400	29.50	Sep	265.20	267.20	267.20
92405	29.50	Oct	265.20	267.20	267.20
92410	29.50	Nov	265.20	267.20	267.20
92415	29.50	Dec	265.20	267.20	267.20
92420	29.50	Jan	265.20	267.20	267.20
92425	29.50	Feb	265.20	267.20	267.20
92430	29.50	Mar	265.20	267.20	267.20
92435	29.50	Apr	265.20	267.20	267.20
92440	29.50	May	265.20	267.20	267.20
92445	29.50	Jun	265.20	267.20	267.20
92450	29.50	Jul	265.20	267.20	267.20
92455	29.50	Aug	265.20	267.20	267.20
92460	29.50	Sep	265.20	267.20	267.20
92465	29.50	Oct	265.20	267.20	267.20
92470	29.50	Nov	265.20	267.20	267.20
92475	29.50	Dec	265.20	267.20	267.20
92480	29.50	Jan	265.20	267.20	267.20
92485	29.50	Feb	265.20	267.20	267.20
92490	29.50	Mar	265.20	267.20	267.20
92495	29.50	Apr	265.20	267.20	267.20
92500	29.50	May	265.20	267.20	267.20
92505	29.50	Jun	265.20	267.20	267.20
92510	29.50	Jul	265.20	267.20	267.20
92515	29.50	Aug	265.20	267.20	267.20
92520	29.50	Sep	265.20	267.20	267.20
92525	29.50	Oct	265.20	267.20	267.20
92530	29.50	Nov	265.20	267.20	267.20
92535	29.50	Dec	265.20	267.20	267.20
92540	29.50	Jan	265.20	267.20	267.20
92545	29.50	Feb	265.20	267.20	267.20
92550	29.50	Mar	265.20	267.20	267.20</

March 3	Intracorp Fincl S llon Weller Corp
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[illegible][illegible][illegible][illegible][illegible]

11-11-68

INT  
TEC  
FRO

27	3-30	
41	3-14	

**PS**

**Rank 8**

Prov.	76.00
Adm.	9.00
Adm. Svc.	213.00
Sal.	1,000.00
O.R.S.	0.00
Totals	1,298.00
4-11 MC	6.41

March 3

	Prev. Yield
101	5.53
102	5.50
103	5.50
104	5.50
105	5.50
106	5.50
107	5.50
108	5.50
109	5.50
110	5.50
111	5.50
112	5.50
113	5.50
114	5.50
115	5.50
116	5.50
117	5.50
118	5.50
119	5.50
120	5.50
121	5.50
122	5.50
123	5.50
124	5.50
125	5.50
126	5.50
127	5.50
128	5.50
129	5.50
130	5.50
131	5.50
132	5.50
133	5.50
134	5.50
135	5.50
136	5.50
137	5.50
138	5.50
139	5.50
140	5.50
141	5.50
142	5.50
143	5.50
144	5.50
145	5.50
146	5.50
147	5.50
148	5.50
149	5.50
150	5.50
151	5.50
152	5.50
153	5.50
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155	5.50
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157	5.50
158	5.50
159	5.50
160	5.50
161	5.50
162	5.50
163	5.50
164	5.50
165	5.50
166	5.50
167	5.50
168	5.50
169	5.50
170	5.50
171	5.50
172	5.50
173	5.50
174	5.50
175	5.50
176	5.50
177	5.50
178	5.50
179	5.50
180	5.50
181	5.50
182	5.50
183	5.50
184	5.50
185	5.50
186	5.50
187	5.50
188	5.50
189	5.50
190	5.50
191	5.50
192	5.50
193	5.50
194	5.50
195	5.50
196	5.50
197	5.50
198	5.50
199	5.50
200	5.50

# INT TEC FRC

**C&C** Computers and



BUSINESS ROUNDUP

# Guinness Cites Ex-Chairman in Suit

By Warren Getler

LONDON — Guinness PLC has accused its former chairman, Ernest Saunders, and a director, Thomas Ward, of breaching their fiduciary duties in authorizing an unexplained £5.2 million payment last May to a Jersey-based front company.

Guinness, the target of a British government investigation into tactics used in its £2.7 billion (about \$4.2 billion) takeover of Distillers Co. last April, made the accusations in a suit filed last week against the Jersey-based nominee company, Marketing & Acquisitions Consultants Ltd.

In its suit before the Royal Court

of Jersey, Guinness asked for the return of the £5.2 million and obtained an injunction barring either MAC or its bank, National Westminster Bank PLC, from transferring any of the funds.

The payment to MAC was the largest single item of some £25 million worth of unexplained invoices that Guinness management discovered after the company's takeover of Distillers. Most of the £25 million has been recovered in the past two months.

The injunction, to which NatWest says it is adhering in full, also permits Guinness attorneys to inspect documents at NatWest pertaining to MAC's account with the bank since May 1, 1986.

Thus far, Guinness has been unable to determine who controls MAC. It has asked the court to order MAC to provide copies of all correspondence linking the payment to individuals at Guinness and MAC.

In its complaint, Guinness charged that Mr. Saunders and Mr. Ward told Olivier Roux, the company's finance officer at the time, to pay MAC for services provided by "unidentified third parties for research into the U.S. wholesale network of the Distillers Co."

But, Guinness said in its position, "there exists no evidence" that any third parties provided the alleged services.

Guinness has not threatened to file suit against Mr. Saunders and Mr. Ward. Neither Mr. Saunders, who was dismissed by Guinness in mid-January, or Mr. Ward, who has refused to resign as an outside director, would return telephone calls on Tuesday.

## Sandoz to Set Up Joint Venture in Soviet Union

Reuters

BASEL, Switzerland — Sandoz AG, the chemicals company, said Tuesday that it planned a joint venture to produce herbicides in the Soviet Union.

The company said it had signed a letter of intent with the Soviet Ministry of Fertilizer Production. The Soviet Union announced on Sept. 23 that it would allow Western companies to form joint ventures.

The ministry and Sandoz would each have 50 percent stakes in the venture, a company spokeswoman said. She said the size of investment and of intended production were still under negotiation and she could give no details.

The project would involve production of a herbicide used to control weeds in cereal and maize crops.

## Pharmacia's Pretax Profit In '86 Rose 11%, Sales 7%

By Juris Kaza

International Herald Tribune

STOCKHOLM — Pharmacia AB, the Swedish pharmaceutical and biotechnology group, reported Tuesday that pretax earnings for 1986 rose 11 percent to \$21.2 million (1985: \$19.1 million), from 740.2 million kronor in 1985.

Group sales rose 7 percent to 3.65 billion kronor, Pharmacia said. Adjusted for acquisitions during 1986, sales rose 9 percent.

The decline of the dollar by 17 percent relative to the Swedish krona cut about 5 percentage points off potential sales growth.

Operating earnings rose nearly 8 percent to 739.5 million kronor from 687 million kronor in 1985, the Uppsala-based group reported.

It said that cost-control measures by national health insurance agencies in many markets had prevented it from increasing the prices of pharmaceuticals, the main product of Health Care, Pharmacia's largest division in terms of sales.

It predicted that based on current exchange rates, group sales should reach 6 billion kronor and pretax profit should rise to around 1 billion kronor in 1987.

The results for 1987 will include for the first time the sales of AB Leo, a pharmaceutical company, and LKB-Produkter AB, a biochemical instrumentation company, which were acquired by Pharmacia but not fully consolidated in 1986.

Because of higher taxes and a nonrecurring write-off of good will

## CHOCOLATE: A Legend Melts

(Continued from first finance page)

of takeovers in the past two decades has left just a handful of tiny chocolate makers independent.

The erosion began in the late 1960s with the sale of two of the country's top chocolate makers, Victoria and Meurisse, to Générale Biscuit SA of France.

Jacques, another chocolate company, fell into foreign hands a few years later, and in 1974, Godiva was swallowed up by Campbell Soup Co. In 1979, Callebaut was acquired by Jacobs Suchard.

Foreign food companies were eager to acquire Belgian chocolate companies because they could capitalize on their reputation to increase overall sales.

Mr. Michiels' ancestor, Lambert Michiels, helped found Côte d'Or with another Belgian, Leopold Bieswal. Since then, the company has always been run by a member of the two families, which held about 65 percent of Côte d'Or before the sale. The remainder of the company's shares were owned by institutions and the public.

Mr. Michiels of Côte d'Or said that the families' decision to sell "was ineluctable."

Mr. Michiels, 47, is trying to gain public acceptance of the change in ownership by explaining the economics of the chocolate business. "There are feelings of the heart, and there are imperatives of logic," he said. Despite a large increase in foreign sales over the past decade, he argues, Côte d'Or was too small on its own to compete successfully in other European markets and in the United States.

"Côte d'Or can't be Don Quixote," he said. "We faced very hard competition. Eventually we would

have leveled off and then probably experienced certain problems." For virtually all of its history, Côte d'Or has churned out profits as smoothly as it made chocolate out of sugar, butter and cacao beans from Ecuador, Venezuela and the West Indies. In 1985, however, it reported a slight loss.

The company expects to report a small profit for 1986. But Mr. Michiels depicts Côte d'Or and other Belgian chocolate makers as small players that are being pushed or bought out by larger companies.

The big companies, he says, can market the Belgian products at lower prices and on a broader and more profitable scale.

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Weekly net asset value on 22-2-1987 US \$31.84

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Information: Pierson, Heijding & Pierson NV, Herengracht 4, 1016 BS Amsterdam.

## Montedison Agrees to Acquire Antibiotics for \$450 Million

Reuters

MADRID — Montedison SpA of Italy agreed Tuesday to acquire the drug company Antibioticos for 58.2 billion pesetas (\$453 million) in what a spokesman called the largest private takeover in Spanish history.

"We have concluded talks with Montedison and the deal is pending verification by the Spanish government," said a spokesman for Antibioticos, Fernando Garro.

Formal regulatory approval is expected within 30 days.

Antibioticos has 9 percent of the Spanish pharmaceutical market.

Montedison, the Italian chemicals giant, has been seeking to expand abroad, especially in the drug field.

Montedison made an unsuccessful bid last year to take over Fermentia AB, the Swedish biotechnology group. The acquisition would make the Italian company the world's leading producer of antibiotics.

Mr. Garro said that Antibioticos might use a third of the sum paid by Montedison to buy Montedison shares and that the general manager for Antibioticos, Mario Conde, might be given a seat on Montedison's board.

## NTT Projects 6% Drop in Profit for 1987-88

Reuters

TOKYO — Nippon Telegraph & Telephone Corp. predicts that its profit will fall by 6 percent to 328 billion yen (\$2.13 billion) in the year ending March 31, 1988, from a projected 348 billion yen this year.

Increased competition from new entrants to the telecommunications field and a new sales tax will trim profit, despite an increase in sales to 5.51 trillion yen, NTT said.

## 2 Companies Join Bidding For CGCT

International Herald Tribune

PARIS — Northern Telecom Ltd. of Canada and Italtel SpA of Italy have joined three other groups in bidding for control of CGCT, France's second-largest telecommunications company, which is being returned to private ownership, the Finance Ministry said Tuesday.

The ministry had set April 30 as the deadline for deciding which group gets control of ailing Compagnie Générale de Télécommunications, which was nationalized in 1982.

Industry sources said the new bids may delay a decision pending a review of the five proposals.

In its proposal, Italtel, a state-owned telecommunications company, asked for an additional two months to present more detailed technical proposals, and to find a French partner, a company spokeswoman in Milan said.

Northern Telecom said it had been approached by potential French partners.

The government has said that foreign ownership in CGCT would be limited to 20 percent.

The three other groups that also submitted bids, as expected, included a joint venture of American Telephone & Telegraph Co. and Philips NV of the Netherlands, Siemens AG of West Germany and L.M. Ericsson of Sweden.

## WOMEN: Perceptions Challenged

(Continued from first finance page)

women on boards have just such experience. distinctively "female" style: They are more intuitive, better with people and less concerned with office politics.

But, according to a report by Catalyst last month, there is little evidence to suggest that women managers have different managerial styles. They based this conclusion on a 1981 comprehensive study by Anne Harlan and Carol Weiss at the Wellesley College Center for Research on Women, which found no significant difference between women and men managers' need for achievement, power, dominance or motivation to manage.

The notion remains that women serving on corporate boards are recruited mainly from academia and the arts and do not have a business background.

Yet according to the Heidrick & Struggles survey, 31 percent of U.S.

women on boards have just such experience. Also common is the belief that as an increasing number of women join middle management, the number of women in top management will rise, too.

But, according to a 1986 executive profile by Korn/Ferry International, the recruitment company, while 35.6 percent of all managers are women, only 2 percent hold senior executive positions.

Because they are outside the "old-boy network," there is a perception that women believe too often they can make it on their own.

In a 1985 study that surveyed 353 women executives from the Princeton Research Forum as well as other successful women executives, 99 percent said they gained greater confidence through a mentor relationship. In the Heidrick & Struggles survey, 81.5 percent of women executives said they had mentors.

## Underwoods Talks Stalled

Reuters

LONDON — Underwoods PLC said Tuesday it had been unable to reach agreement in exploratory discussions on terms of a bid to be made by Woolworth Holding PLC.

## INTERNATIONAL BUSINESS OPPORTUNITIES

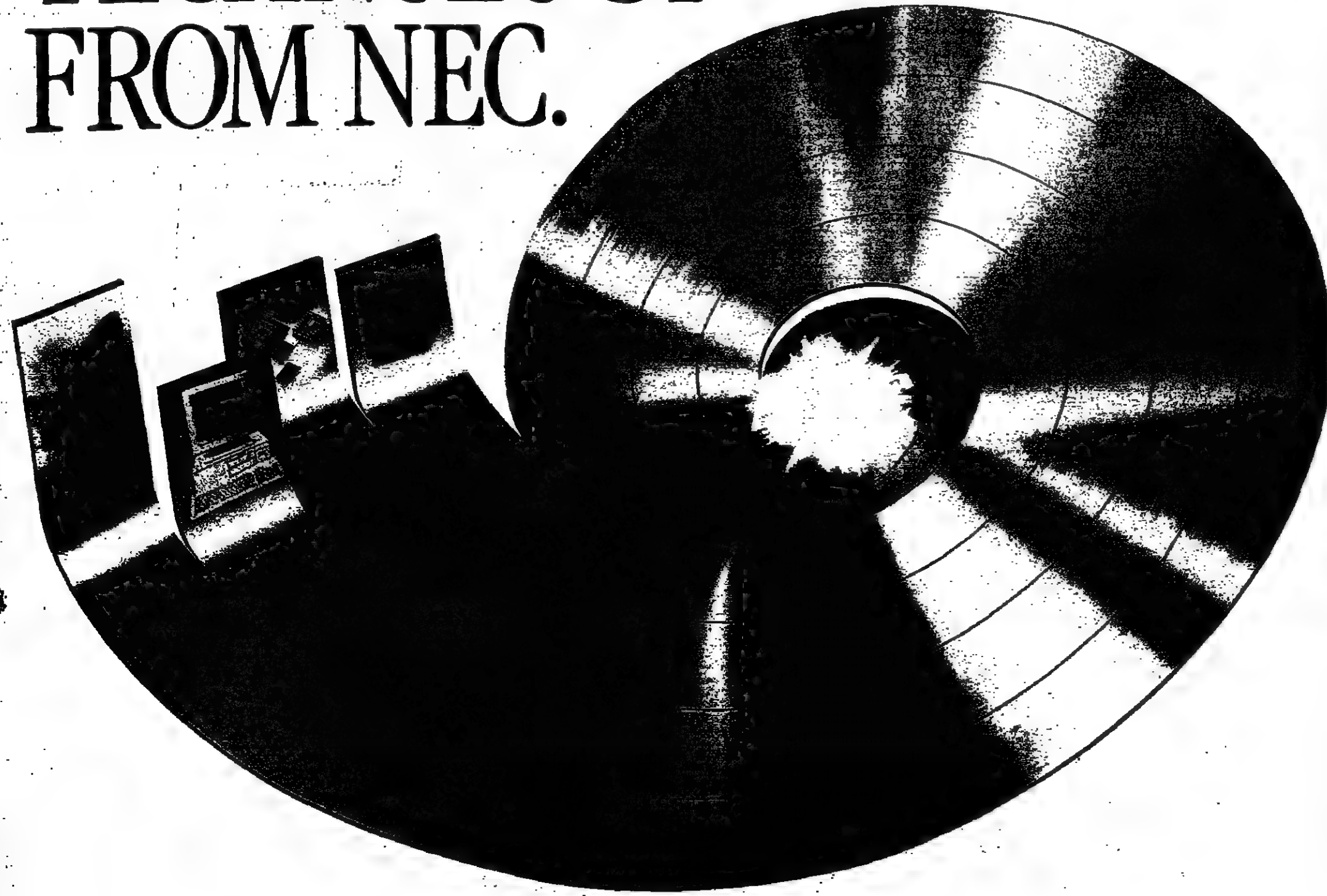
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C&C Computers and Communications



# Tuesday's AMEX Closing

Tables include the nationwide prices as to the closing on Wall Street and do not reflect late trades elsewhere.

Via The Associated Press

12 Month High	12 Month Low	Stock	Div.	Yld.	PE	100-High Low	Close	Change
100	90	ACI	1.00	3.1	14	100	90	+1
100	90	ACI	1.00	3.1	14	100	90	+1
100	90	ACI	1.00	3.1	14	100	90	+1
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100	90	ACI	1.00	3.1	14	100	90	+1
100	90	ACI	1.00	3.1	14	100	90	+1
100	90	ACI	1.00	3.1	14	100	90	+1
100	90	ACI	1.00	3.1	14	100	90	+1
100	90	ACI	1.00	3.1	14	100	90	+1

## AMEX High-Lows

NEW HIGH	NEW LOW
100	90
100	90
100	90
100	90
100	90
100	90
100	90
100	90
100	90
100	90

## Continued on next page

# COURVOISIER



COGNAC COURVOISIER. THE BORN LEADER.

Le Cognac de Napoleon

## INTERNATIONAL FUNDS (Quotations Supplied by Funds Listed) 3 March 1987

Not exact value quotations are supplied by the Funds listed with the exception of value quotations based on latest prices. The margins indicate frequency of quotations supplied: (d) daily; (w) weekly; (m) monthly; (q) quarterly; (a) annually.

ALMA MANAGEMENT	100.00	ALMA MANAGEMENT	100.00
ALMA MANAGEMENT	100.00	ALMA MANAGEMENT	100.00
ALMA MANAGEMENT	100.00	ALMA MANAGEMENT	100.00
ALMA MANAGEMENT	100.00	ALMA MANAGEMENT	100.00
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ALMA MANAGEMENT	100.00	ALMA MANAGEMENT	100.00
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ALMA MANAGEMENT	100.00	ALMA MANAGEMENT	100.00
ALMA MANAGEMENT	100.00	ALMA MANAGEMENT	100.00

DM - Deutsche Mark; BF - Belgium Franc; C\$ - Canadian Dollar; FF - French Franc; FL - Dutch Guilder; Lf - Luxembourg Franc; ECU - European Currency Unit; SF - Swiss Franc; Y - Yen; S - Dollar; A - Australian Dollar; NZ - New Zealand Dollar; HK - Hong Kong Dollar; T - Taiwan Dollar; N - New Taiwan Dollar; S\$ - Singapore Dollar; M - Malaysian Dollar; Rp - Indonesian Rupiah; P - Philippine Peso; B - Brazilian Real; R\$ - Brazilian Real; U\$ - US Dollar; £ - British Pound; S\$ - South African Rand; Z\$ - Zimbabwe Dollar; K\$ - Kenyan Shilling; S\$ - Sri Lankan Rupee; L\$ - Liberian Dollar; D\$ - Dominican Republic Peso; H\$ - Hungarian Forint; F\$ - Israeli Sheqel; J\$ - Japanese Yen; K\$ - Korean Won; N\$ - New Israeli Sheqel; P\$ - Pakistani Rupee; S\$ - South Korean Won; T\$ - Thai Baht; U\$ - US Dollar; V\$ - Vietnamese Dong; Y\$ - Yugoslav Dinar; Z\$ - Zimbabwe Dollar.

**CURRENCY MARKET**

**Dollar Dips in**

**EUROMARKETS**

**Sterling Bonds**

**Tuesday's OTC Prices**

MARCH 3, 1987



## CURRENCY MARKETS

## Dollar Dips in N.Y., Rises in Europe

**NEW YORK** — The dollar slipped lower Tuesday in New York after a higher finish in Europe, with much of the activity focused on the British pound.

Dealers attributed the dollar's advance Monday to the currency's ascent in Europe to the currency's

The dollar closed Tuesday in New York at 1.8295 Deutsche marks, down from 1.8370 DM Monday, and at 153.545 yen, down from 153.625. It fell to 1.5410 Swiss francs from 1.5445 and to 6.0895 French francs from 6.1135.

But the U.S. currency rose against the British pound, which ended at \$1.5610, compared with \$1.5655 at Monday's close.

Dealers said that there was virtually no activity after the White House announced that President Ronald Reagan would make an announcement in the afternoon.

Mr. Reagan, in a brief appearance, said he "welcomed" the Soviet arms proposal, but dealers said there was no reaction at all.

## London Dollar Rates

Currency	Rate	Change
Deutsche mark	1.8295	-0.0075
French franc	6.0895	-0.0240
Japanese yen	153.545	-0.080
Swiss franc	1.5410	-0.0335
British pound	1.5610	+0.0055

Source: Reuters

"Part of the dollar's rise Monday was anticipating some sort of agreement on removing missiles from Europe," one dealer said.

"That was negative for the German mark but it was all reflected in Monday's moves."

"The market still is mesmerized by G-6 and is behaving exactly as it is supposed to," said Jim O'Neill, an economist at Marine Midland Bank, referring to an agreement between six major industrialized countries to stabilize the dollar around current levels.

In London, the dollar closed Tuesday at 1.8355 DM, up from

1.8315 DM Monday, and at 153.65 yen, up from 153.45. It also rose against the pound, which ended at \$1.5605, compared with \$1.5638.

The Bank of England introduced Tuesday to smooth volatile movements in the exchange rate between the pound and the Deutsche mark.

The bank's intervention Tuesday, as well as its warning Monday that it would resist market pressure for an immediate cut in the base lending rate of 11 percent, were viewed as politically motivated.

Dealers said that Nigel Lawson, the chancellor of the Exchequer, wanted to hold back on any cut in the base rate until he delivers his budget speech March 17 to get the maximum impact in a year in which he expects an election.

In earlier European trading, the dollar was fixed at Frankfurt at 1.8240 DM, up from 1.8264 DM Monday, and in Paris at 6.102 French francs, up from 6.080. It closed in Zurich at 1.5438 Swiss francs, up from 1.5380.

(UPI, Reuters)

## Oil Price Soars On OPEC News

United Press International

**NEW YORK** — Crude oil prices rose by as much as 96 cents a barrel on Tuesday amid reports that OPEC was holding to its production ceiling.

Indonesia's oil minister, Subroto, denied reports that the Organization of Petroleum Exporting Countries was exceeding its ceiling of 15.8 million barrels a day. Petroleum Intelligence Weekly, a New York-based journal, also said the target was being met.

On the European spot market, Britain's North Sea Brent crude rose 80 cents to \$16.60 a barrel. On the New York Mercantile Exchange, West Texas intermediate crude for immediate delivery shot up by 96 cents to \$17.35 a barrel.

(UPI, Reuters)

## BUSINESS PEOPLE

## 2 USG Executives to Trade Jobs

By Arthur Higbee

International Herald Tribune

USG Corp. of Chicago says two senior executives will trade jobs and denies that the exchange is aimed at determining which will be the future corporate chief.

William J. White, 48, formerly president and chief executive of USG Interiors Inc., has become president and chief executive officer of United States Gypsum Co., USG Corp.'s largest subsidiary.

He replaces Eugene B. Connolly, 55, formerly president and chief operating officer of Gypsum, who has been named president and chief executive officer of the Interiors company. Interiors makes ceiling tile; Gypsum makes wallboard products.

Mr. Connolly also joins Mr. White as an executive vice president of the parent company.

The exchange follows last week's announcement that Ralph C. Joyner, 58, had been elected president and chief operating officer of

the parent, second in command to Robert J. Day, 61, the chairman.

Denying that the trade was designed to determine a future leader, Paul D. Colitti, a USG Corp. spokesman, said: "It was done to give the management team more depth and responsibility."

TW Services Inc.'s chairman and chief executive officer, L. Edwin Smart, has announced that he will retire April 22. He recommended Frank Salizzoni, 48, vice chairman and a smart associate for 20 years, as his successor. Three years ago Mr. Smart, 63, sold Trans World Airlines, and last year he liquidated its parent, Transworld Corp., and formed its smaller successor, TW Services Inc., now a food services and retirement care company.

European Brazilian Bank PLC, or Eurobrab, a London-based consortium, has recruited Peter Taylor as senior manager for administration, replacing Peter Sandringham, who has joined the London office

of Istituto Mobiliare Italiano. Both men are in their early 40s. Mr. Taylor previously was general manager of a Singapore-based insurance company.

Occidental Petroleum Corp. of Los Angeles has named Frank H. Romanelli and Charles E. Stewart as corporate vice presidents. Both will remain executive vice presidents at Occidental Chemical Corp. of Norwalk, Connecticut, a subsidiary. Mr. Romanelli, 42, for operations and Mr. Stewart, 51, for electrochemicals, chemicals and specialty products.

Cox Enterprises has appointed James Cox Kennedy, currently executive vice president of the Atlanta-based media conglomerate and grandson of the founder, to become chairman at the end of the year. He will replace his stepfather, Garner Anthony, 57, who announced last week that he was stepping down as chairman and chief executive officer. The company president, Wil-

## Joy Co. to Merge With Ecolaire

New York Times Service

**PITTSBURGH** — Roy Wennerholm Jr. has been named chairman, president and chief executive of Joy Manufacturing Co., a mining-equipment maker that will merge with Ecolaire Inc. in Malvern, Pennsylvania, under the Joy name.

Mr. Wennerholm, 55, is chairman and chief executive of Ecolaire, which makes equipment for electric utilities.

Mr. Wennerholm teamed up with the New York investment firm of Adler & Shalpin to purchase both firms in leveraged buyouts, Ecolaire in 1985 and Joy this year.

Liam A. Schwartz, 48, will move up from chief operating officer to chief executive officer.

## THE EUROMARKETS

## Sterling Bonds Firm Despite Easier Pound

Reuters

**LONDON** — Investors continued Tuesday to show more interest in the non-dollar sectors of the Eurobond market, dealers said, as dollar straight bonds drifted 1/4 to 1/2 lower.

The Eurosterling market finished slightly firmer but was well below early morning highs, while the yen market remained buoyant with traders reporting continued retail demand.

Amid the wide variety of bonds launched, however, the dollar straight bonds were not neglected, with three new issues totaling \$375 million.

Saab-Scania AB issued a \$150 million bond paying 7 3/4 percent over five years and priced at 101 1/4. The lead manager was Morgan Guaranty Ltd.

The paper found firm demand, dealers said, and was quoted at a discount of around 1.60, inside the full underwriting fees of 1 1/2 percent.

Citicorp Investment Bank Ltd. arranged two dollar issues, one of them for a subsidiary of Mutual Life Insurance Co. of New York. This \$125 million bond pays 8 1/4 percent over 10 years and was priced at 101 1/4.

Dealers were not enthusiastic about the issue's relatively low maturity and offered bonds outside the 2 percent underwriting fees at 2 1/4.

Sterling straight bonds initially rose by 1/2 point, but ended unchanged to 1/4 firmer after reports that the Bank of England sold sterling to curb the currency's rise.

Credit Suisse First Boston announced final terms for the Tesco PLC convertible bond launched Monday. The issue has been increased to \$115 million from \$100 million and the coupon was set at 4 percent.

## ECONOMY:

## Slow U.S. Growth

(Continued from first finance page)

average work week and a drop in the money supply.

The U.S. economy, as measured by the gross national product, grew just 2.5 percent last year, the weakest performance since an outright decline in the recession year of 1982.

The Reagan administration is predicting growth will rise to 3.2 percent in 1987, but many private economists call the estimate too optimistic.

The Commerce Department said new single-family homes were sold at a seasonally adjusted annual rate of 716,000 units last month following a 12.1 percent increase in December.

## Brazil Claims Support From France on Growth

Compiled by Our Staff From Dispatches

**PARIS** — Brazil's finance minister, Dilson Funaro, said Tuesday he had received support from France for his country's policy of pursuing economic growth, and also pledges of financial support.

Speaking after talks with Finance Minister Edouard Balladur and the Bank of France governor, Jacques de Larosiere, he said France had agreed to make two export credits and to consider further credits. He called the meeting "constructive because it allows countries like Brazil to pursue a firm policy of development."

French officials made no comment. But by Mr. Funaro's characterization of Tuesday's talks, the

discussions were in marked contrast to the cool reception he received in meetings with officials in the United States and Britain, after Brazil's suspension on Feb. 20 of interest payments on its \$68 billion debt to foreign banks.

Mr. Funaro said Brazil, which has a foreign debt of \$109 billion, intended to resume talks with commercial banks after discussing the problem with creditor countries and securing "some responses from governments."

He blamed the situation now facing Brazil, which had an "excellent" trade position, on "slow and obsolete" international financing mechanisms. Debt problems could

no longer be solved through recession but through growth, he said.

The minister said the suspension of interest to banks was a "practical, pragmatic and temporary" step to preserve the country's external reserves, believed to have fallen below \$4 billion.

Mr. Funaro, who later left for visits in Bonn and Bern, said he was planning a similar trip to Tokyo shortly in his efforts to ensure longer-term capital flows from multilateral development agencies.

He said no reference had been made in Paris to the issue of Brazil's ties with the International Monetary Fund. After his meeting with Mr. Funaro on Monday, Nigel Lawson, Britain's chancellor of the

Exchequer, had stressed the importance of Brazil reaching an economic adjustment agreement with the IMF, a step that could unlock Fund resources and additional bank loans.

Mr. Funaro has repeatedly rejected such an IMF accord. "Even as a managing director of the IMF, Mr. de Larosiere never told us we had to have an agreement with the Fund," he said. Mr. de Larosiere was head of the IMF until the end of 1986.

The Brazilian minister estimated French banks' exposure in Brazil at \$6 billion to \$7 billion, about one-tenth of the \$68 billion for all foreign banks. (AFP, UPI)

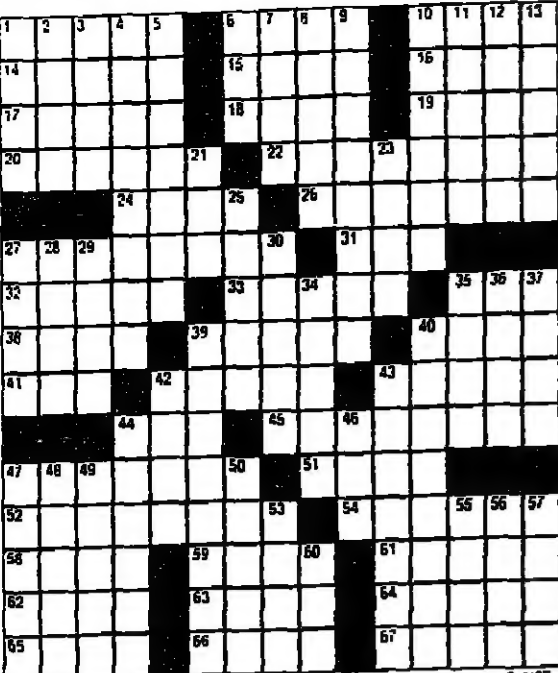
## Tuesday's OTC Prices

NASDAQ prices as of 4 p.m. New York time.

Via The Associated Press

A										B										C										D										E										F										G										H										I										J										K										L										M										N										O										P										Q										R										S										T										U										V										W										X										Y										Z																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																						
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## ACROSS

1 Crush  
6 Taunt  
10 Reduce  
14 Rajah's wife  
15 Garden lifetime  
16 The same, to  
17 Last of a series  
18 Otherwise  
19 Pentastich, e.g.  
20 Word of honor  
22 Inter-  
changeable  
24 Head, in le  
26 Grave  
27 Anthony's goal  
31 Combo date  
32 Baseball's  
Matty, Felipe  
and Jesus  
33 Tore  
34 Prepare  
35 Privy to  
39 Actor Burton  
of "Roots"  
40 Ardor  
41 "And many a  
lightfoot  
—"  
Housman  
42 "The —  
Babies"  
Kingsley  
43 Radically  
unit  
44 Cio-Cio —

## DOWN

45 Asked for  
boldly  
47 In the spotlight  
51 Cleanse  
52 Start of an 1880  
song title  
54 Suppresses  
58 Tizzy  
59 Appends  
61 "A — out  
Case": G.  
Greene  
62 Actress  
Sommer  
63 Directions for  
Have  
64 Script notation  
65 Mantas  
66 Part of Q.E.D.  
67 Plant again

## DOWN

1 Trim  
2 Hindu epic  
3 Unique person  
4 "Ain't —"  
1921 song  
5 Casino group  
6 Article  
7 Lobo, e.g.  
8 Publication  
9 Pop-rock  
authority  
10 — Down the  
"Valley Wild"  
11 Building  
material  
42 Brit.  
43 Refreshment  
stand  
44 Insect part  
45 Singer Davis  
46 Tender  
48 Ravine  
49 Sinuous  
50 One of the  
Plym  
53 Notion  
55 Actor  
Kristolerson  
56 Within: Comb.  
form  
57 Fret  
60 Fast plane

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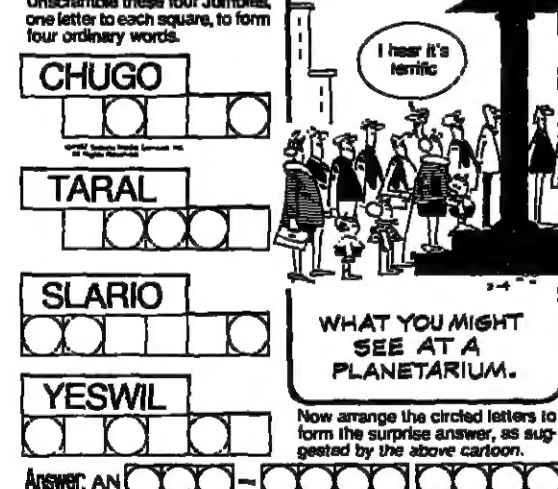
## DENNIS THE MENACE



HEY, MR. WILSON? HOW DID YOU TEACH YOUR GOLDFISH TO SWIM ON HIS BACK?

## JUMBLE

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.



ANSWER: AN

Yesterday's Jumbles, SOGGY TAKEN CENSUS BROQUE

Answer: What you'd expect to have for breakfast at a lighthouse — "BEACON" &amp; EGGS

## WEATHER

EUROPE				ASIA			
	HIGH	LOW			HIGH	LOW	
Algeria	26	19	12	fr	Bangkok	26	20
Amsterdam	18	12	5	nl	Beijing	11	3
Athens	18	11	4	gr	Bombay	28	21
Berlin	21	17	10	de	Calcutta	28	21
Bombay	28	21	14	in	Chongqing	28	21
Buenos Aires	21	14	7	ar	Hong Kong	28	21
Calcutta	28	21	14	in	Kobe	28	21
Chongqing	28	21	14	in	London	12	5
Hong Kong	28	21	14	in	Manila	28	21
London	12	5	0	ph	Shanghai	28	21
Manila	28	21	14	in	Tokyo	28	21
Shanghai	28	21	14	in			
Tokyo	28	21	14	in			

## MIDDLE EAST

	HIGH	LOW	
Akron	10	4	us
Batavia	10	4	us
Bombay	28	21	in
Calcutta	28	21	in
Chongqing	28	21	in
Hong Kong	28	21	in
Kobe	28	21	in
London	12	5	0
Manila	28	21	in
Shanghai	28	21	in
Tokyo	28	21	in

## OCEANIA

	HIGH	LOW	
Akron	10	4	us
Batavia	10	4	us
Bombay	28	21	in
Calcutta	28	21	in
Chongqing	28	21	in
Hong Kong	28	21	in
Kobe	28	21	in
London	12	5	0
Manila	28	21	in
Shanghai	28	21	in
Tokyo	28	21	in

## PEANUTS



## BLONDIE



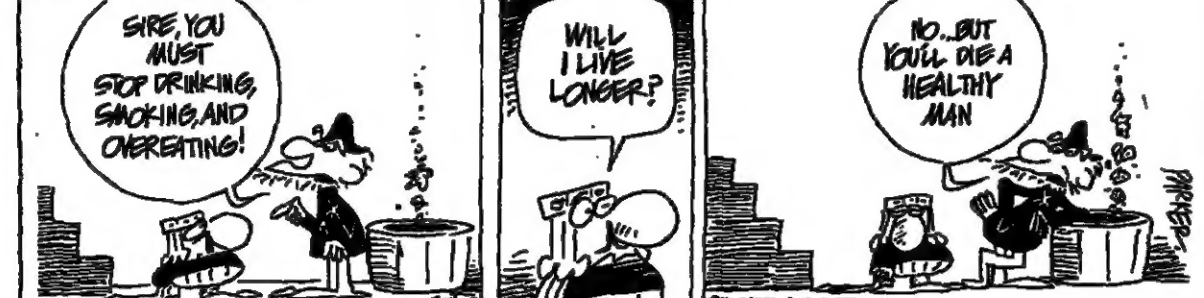
## BEETLE BAILEY



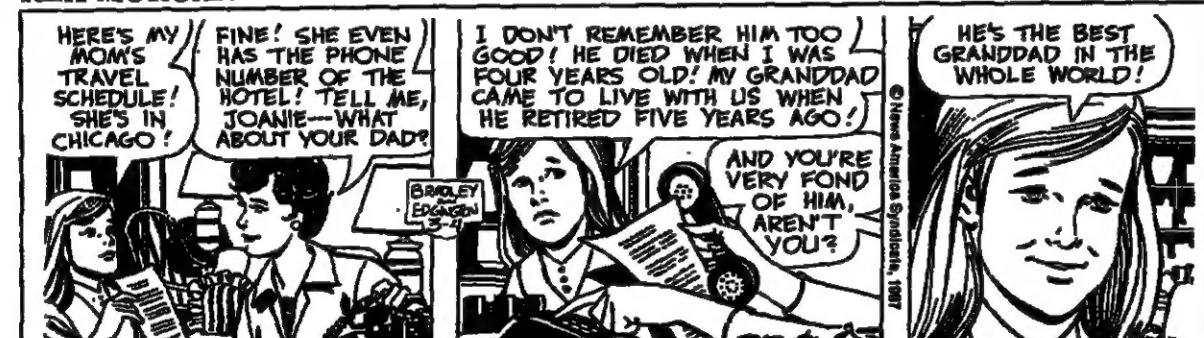
## ANDY CAPP



## WIZARD OF ID



## REX MORGAN



## GARFIELD



## World Stock Markets

Closing prices in local currencies unless otherwise indicated.

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## Singapore

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## REAGAN AND GORBACHEV

By Michael Mandelbaum and Strobe Talbot. 191 pages. Paperback, \$5.95. Vintage Random House, 201 East 50th Street, New York, N.Y. 10022.

Reviewed by Mark Medish

HERE is something prophetic in doing a book now about the Reagan-Gorbachev relationship, since that relationship continues to define and redefine itself. Aware of this difficulty, Michael Mandelbaum and Strobe Talbot modestly call their work an "interim report." Nevertheless, their review of U.S.-Soviet relations in the Reagan era offers a helpful rehearsal of fact and an insightful analysis of the unfolding significance of the Reagan-Gorbachev rivalry, the latest in a line from Wilson-Lenin through Nixon-Brezhnev.

Despite obvious differences, such as age, professional background and political culture, the leaders of the two superpowers have some important similarities. Both seem to be exceptionally gifted politicians, even risk-takers; both have to contend with considerable opposition at home; both appear to enjoy great authority over foreign policy and both came to power during times of national "malaise." Furthermore, each leader believed that "the way to reinvigorate his country was to return to traditional principles and practices."

An important theme of this book is "the fusion of grand, impersonal historical forces and extremely personal visions and initiatives." Reagan and Gorbachev are players in a game not of their own making, and they both have ambitions of changing the rules of the game to fit their own objectives.

The authors assert that by the time President Reagan met his Soviet rival in Geneva in November 1985, "he had begun denying any desire to alter the Soviet system." Five years in office had led him to the conclusion that his predecessors, whom he had roundly criticized for being soft on the Soviet system, were not in fact out-of-touch with the "gravitational forces of international politics." Alas, the "Evil Empire" was here to stay.

But change, in turn, was Gorbachev's agenda: to transform the Soviet economy from

some points in favor of it. The one no-trump bid was forcing in the partnership style, and South had more than the normal quota of points for that action. North's bid of two spades was a reverse, showing substantial values — perhaps about 18 high-card points.

When West led a heart and the dummy appeared, South regretted her optimism. She discovered that six clubs would have been a much better slam contract, showing a difficult-to-uncover using the modern style in which a two-over-one response is virtually forcing to game. A traditional response of two clubs would have been more effective as it happens. South guessed right at the first trick, putting up dummy's king and collecting the queen. She then cashed clubs, relieved to find a favorable situation. There were now 11 tricks in view and it was tempting to try for the 12th by finessing in

spades. But as West was known to have begun with six hearts and three clubs, East was sure to have the length in spades and diamonds.

South took full advantage of her opportunity. She led to the spade ace, cashed the heart ace and reached this ending:

By Alan Truscott

A PLAYER who makes a natural no-trump bid is in principle barred from taking strong action subsequently. That makes South's action on the diagrammed deal — one no-trump followed by six no-trump — quite extraordinary. The dramatic leap was certainly an overbid, but there were

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## BOOKS

stagnation to prosperity. Ultimately, according to Mandelbaum and Talbot, the Russian leader is constrained by his unwillingness, typical of an "orthodox Leninist and latter-day Stalinist," to see any necessary connection between modernization and democratization, between economic and political improvement.

As this useful book reminds us, American dreams and Soviet nightmares have, paradoxically, recalled the burden of history: the long, hard work of arms control.

Mark Medish, a Mellon Fellow at the Harvard Russian Research Center, wrote this review for The Washington Post.

## BEST SELLERS







